

BIOTECHNOLOGY 6

Our Science Editor looks at the pick of the British and US firms specialising in therapeutic drugs

Six companies with an eye on the future

The £1m art of wooing the scientist

Celltech, launched in 1981, initially with £12m and exclusive rights to the genetic engineering of Britain's Medical Research Council, made its first profit in 1987. Last autumn, after the stock market crash, it made a successful private placing of £42.5m - half from its existing UK shareholders, one-quarter from new UK shareholders and one-quarter from Japan.



Celltech can now afford to fund at least some in-house. It plans to continue to license in the US and Japan - preferably at a later and more rewarding stage of development - but to retain the West European market for its best prospects. It expects to need to go to the market for more before the end of 1990, such is the cost of becoming a major pharmaceutical firm, Mr Fairclough says.

pharmaceutical business it has a portfolio of six discoveries, from which it expects the first Celltech products in the early 1990s. They include calcitonin, a genetically engineered heart drug which originated in collaboration with the Middlesex Hospital, London, and is expected to reach clinical trials this spring. Others include "designer antibodies" for treating endo-toxic shock and blood clots, both products of antibody engineering.

Celltech has demonstrated conclusively that British academics can collaborate closely and enthusiastically with a highly competitive and thriving sector of industry. The company has paid nearly £1m to the MRC in royalties on patents and grants for further research. Altogether, Celltech now spends about £1m a year on sponsored research by academics - "for a small company, a formidable amount," Mr Fairclough observes. "The art is not to disengage the scientist but to enhance what he wants to do anyway."

There has also been one unforeseen effect, in the shape of three "spin-off" firms resident nearby in Slough: Bio-Commerce Data, the biotechnology publishing service born in its own library; Oros Systems, a breakthrough in automated purification of proteins; and Xenova, specialising in new ways of identifying therapeutic activity in natural micro-organisms.

Pacesetter overcomes a setback

NO-ONE disputes the place of Genentech as out ahead of the crop of new biotechnology companies spawned from the mid-1970s by the scientific discoveries in molecular biology.

The bio-market setback last spring, when the US Food and Drug Administration withheld the expected licence for Genentech's tissue plasminogen activator (t-PA) provided strong evidence of how widely the fortunes of Genentech are followed, not only as the pacesetter but as a touchstone of the fortunes of the new biotechnologies in general.

Some attributed the setback to a degree of over-confidence in the company, and a failure to take enough care in submitting its case for what it plainly regarded as a worldbeating heart drug for dissolving blood clots.

Six months later, on receipt of more data, the FDA granted a licence for Activase. Before the end of the year Genentech had dispatched more than \$58m (about £30m) worth of the drug. It reports that more than 4,000 US hospitals already stock it.

Genentech has never wavered from the belief of its founder, Robert Swanson, that a major new biotechnology company could be built from the discoveries in molecular biology and applications of genetic engineering.

It began as a research "boutique" in 1977, offering for example to invent a new human growth hormone for the Swedish company Kabi Vitrum, but retaining US rights. By 1983 Genentech's revenues exceeded \$50m. Since then they have grown exponentially, to \$230.5m last year, an increase of 72 per cent on 1986, mainly due to US sales of Protropin, the human growth hormone, and of Activase. Product sales soared from about \$60m to more than \$140m.

Genentech also retains leadership in research and development, with its discovery last year of 29 new proteins or new uses for existing proteins; and publication of 197 scientific papers, including research for which it placed contracts, the company spent over \$90m on R and D. This year it plans an increase of up to 50 per cent. It has high hopes of finding a new outlet for t-PA in preventing adhesions, a complication of surgery, because of the drug's ability to dissolve fibrin. In a slightly ambiguous declaration on proprietary rights in their latest annual report, Mr Swanson and colleagues acknowledge that Genentech has been granted several broad patents in

the US and Europe on the discovery of basic systems for the production of useful proteins in recombinant cells.

"While these patents cover most of the products produced by recombinant technology, generally we do not intend to use the patents to block the creation of new pharmaceuticals made possible by biotechnology. Instead, we will license the patents on a case-by-case basis in exchange for reasonable royalties."

Energising the chronically anaemic

SOME biotechnology fund managers rate Amgen - launched in 1981 - second only to its Californian neighbour Genentech. Although its share price has been volatile lately, Amgen features conspicuously in the portfolios of both Biotechnology Investments and Abingworth. It has a US patent on recombinant erythropoietin (EPO), which may yet prove to be the safest therapeutic to have come from genetic engineering.

EPO is widely seen as a drug with sales potential comparable



with t-PA. It is the hormone which regulates and controls synthesis of red blood cells, by stimulating precursor cells in the bone marrow. Recombinant EPO was invented by an Amgen scientist, Dr Fu-Kuen Lin, who led the team which cloned and expressed the gene in 1983. The company believes its patent gives it a formidable position against rival claims.

Amgen, like Genentech, aims to become a fully integrated pharmaceutical company in human medicine. It has been profitable for 10 consecutive quarters, Dr Philip Whitcome,

director of strategic planning, told a Swiss Bank biotechnology conference in London recently. Currently, anyone investing in Amgen is investing principally in two drugs, said Dr Whitcome - EPO and granulocyte-stimulating factor (GCSF), a hormone which gives the same kind of boost to white cell production.

Dr Whitcome described the dramatic effects EPO had had on a chronically anaemic patient "who didn't have enough energy to scratch her nose." It could reinvestigate dying patients awaiting kidney transplantation who had become too poorly to undergo major surgery. "For the first time we have a way of addressing the anaemia associated with end-stage renal disease," he claimed.

Amgen, which raised another \$150m last year, has built a \$15m facility to make EPO, scheduled for completion this year. Dr Whitcome claims a two-year lead over rivals in its clinical trials and believes it has "fast-track" status with the Food and Drug Administration in the US.

The company hopes for FDA approval around the end of the year, and a commercial launch in 1989, initially for the treatment of patients with terminal kidney disease. Later it expects to extend uses to chronic anaemias associated with ageing, arthritis and drug therapy. Competitors include Genetics Institute in Boston, Mass., with its patented technology for purifying natural EPO from urine.

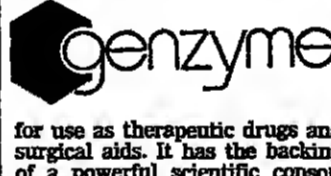
Amgen's research has been more productive than the company itself can handle and it has set up a series of joint ventures and commercial relationships - for example, with Johnson and Johnson and Kirin (Japan) for EPO, with Kirin for GCSF, and with Abbott Laboratories for diagnostics for cancer and infectious diseases.

Treatment for enzyme deficiency

Genzyme is almost an Anglo-US company, US-owned and with its headquarters and technology base in Boston, Mass., but with much manufacture, marketing and some research in the UK, at Maidstone, Kent and Haverhill, near Cambridge.

Now it is commissioning a £3.5m manufacturing plant, which the DTI helped to fund. The company also sells monoclonal antibodies for Celltech, while Celltech makes some under contract to Genzyme.

The company's main business is enzymes; more specifically, the modification of natural enzymes



for use as therapeutic drugs and surgical aids. It has the backing of a powerful scientific consortium of dons at Harvard and MIT, called Bio-Information Associates, which owns part of its equity. According to Mr Henri Termier, chief executive officer, this "partnership" gives Genzyme access to some 200 post-doctoral research workers. Three out of four of the PhDs recruited by the company are drawn from this pool.

Since taking charge in 1985, Mr Termier has focused corporate strategy on enzymes and their alteration by carbohydrate chemistry. He has a staff of 230, expected to expand to 300 this year. Genzyme raised \$25m in an initial public offering two years ago, and \$10m in its first limited partnership last autumn. The partnership is developing and marketing Ceredase, its first modified enzyme product for the treatment of Gaucher's disease, an inherited enzyme deficiency disorder. The missing enzyme is extracted by Genzyme from placental tissue, then modified by carbohydrate



Genetically engineered therapeutic proteins such as erythropoietin are produced under aseptic conditions at Amgen's Thousand Oaks facility in California

The new wave is ready to deliver

STEPHEN DUZAN founded Immunex in Seattle in 1981, in partnership with two scientists with the Fred Hutchinson Cancer Center, Dr Steven Gillis and Dr Christopher Henney. It was publicly quoted in the US in 1983 as a company specialising in immunological research, working on new therapies for cancer, immune deficiency, arthritis, etc. It achieved its first profit in the third quarter of 1987.

Mr Duzan, president and chief executive officer, says he believes

Gem-like vials for "designer genes"

British Bio-technology, near Oxford, less than two years old, appears to have all the ingredients investors are seeking in biotechnology in the late-1980s: including novel ideas, technical talent, and experienced management.

A successful second-round financing has just raised another \$8m to augment the £2.5m mustered by the former Searle scientists Dr Brian Richards (chairman) and Dr Keith McCullagh (chief executive) to launch their company in 1986.

British Bio-technology also has early revenues, expected to amount to £350,000 for the year just ended, from sales of its "designer genes," tailor-made in the laboratory for research scientists worldwide, and selling for \$500 to £2,000 per vial containing 10 micrograms of DNA. Vials are sold in packs of 100 - "it's all part of the image of a high-quality, high-value reagent," an executive says.

These are the dominant characteristics of British Bio-technology's main targets: the second and third generations of new biopharmaceuticals, beyond those in clinical trial today. By third generation, it means chemically synthesised versions of genetically engineered molecules.

If the company has one disappointing feature for the British investor, it is the fact that all its collaborations have been with overseas companies. They include Smith Kline Beckman on second-generation thrombolytics

and a synthetic oral collagenase as an anti-inflammatory. Overseas drug firms are "beating a path to our door," says Dr Richards.

By any standards British Bio-technology has moved fast. Dr Richards says it has identified product targets more quickly than he expected. Dr McCullagh adds that it is obliged to move fast if it is to catch up with companies like Amgen. By the summer they expect to have a research team as big as the one they managed for G.D. Searle at High Wycombe.

For a company with a potential product spectrum as broad as British Bio-technology, the choice of research director proved difficult. Last year it recruited Dr John Gordon, a cell physiology cardiologist with the Medical Research Council. Dr Gordon retains his links with the MRC's Clinical Research Centre as a visiting scientist in vascular biology, while running a research programme for the company which spans cardiovascular and connective tissue diseases, viral infections (including AIDS) and vaccine development.

Another coup is the company's recent recruitment of Dr Alan Kingsman as associate director responsible for its biological research, dividing his time with Oxford University where he part-

icipates in research into virus-like particle technology. This research has been re-assigned to British Bio-technology and the company is negotiating a long-term collaboration with industry. Dr Kingsman has also brought in a research grant of his own, from the national AIDS research programme.

The \$2m raised - the company was seeking \$7m - will allow it to double from nearly 70 to 140 staff by next year. It has taken advantage of a market from which it is relatively easy to raise money, Dr McCullagh says. He admits he is not confident that this will always be so for a company whose sights are set mainly on products still five to 10 years from the market.

Immunex has three major products at the stage of clinical trial. Its interleukin-2 is being tested as a cancer therapy by its collaborator, Hoffmann-La Roche. Its interleukin-2 receptor monoclonal antibody is being tested for the treatment of graft-versus-host disease in bone marrow transplants, by Beckton Dickinson. And first results of early trials with GCSF are showing promise as a new way of fighting infection by stimulating white cell production.

Immunex Ventures, a \$500 joint venture between Immunex and Eastman Pharmaceuticals, with an initial \$30m budget, has produced encouraging pre-clinical reports of interleukin-4 as a potential treatment for cancer. This protein has been sold by the joint venture to Eastman Pharmaceuticals for the completion of product development, yielding an injection of cash for further research. This was the main source of the first profit reported by Immunex, Mr Duzan says. "Needless effort to show a profit simply for 'looks' will not be made," he tells shareholders. "Our strategy thus far has been successful, and we will continue to follow the path we have charted for ourselves."

At this stage Bio-Rad Microscience, a US-owned British company with an interest in scanning stage microscopes, suggested a collaboration, and agreed that the MRC should retain design authority. Orders for the commercial confocal fluorescence imaging system, at \$45,000 apiece, exceeded \$8 this spring. Part of the LMB's deal is that it gets an instrument free.

The therapeutic rat

Dr Koch, his part-time liaison with industry - "one of the advantages of research is that you can do it at night" - also has high hopes of royalties from research tools invented in the laboratory. One is an automated peptide bio-synthesiser, claimed to be much simpler than the widely used systems of Applied Biosystems, the Californian specialists whose instrumentation is found in most molecular biology laboratories today.

It is the development of Dr Robert Sheppard and his chemists, and has been licensed to LKB Biochrome, a UK company wholly-owned by the Swedish biotechnology group Pharmacia. Dr Sheppard, who is well ahead with a more advanced version of the system and more sophisticated control of the chemistry, is a consultant to LKB.

Another LMB invention to reach the market recently is a novel microscope that allows biologists to peer deep inside living cells, developed to overcome

previous problems in watching animal cells at the moment of cell division. The view has been confused by fluorescence. Dr King himself suggested trying a confocal microscope, which could illuminate a smaller spot by using a pinhole in the optics.

Dr John White, a physicist-turned-biologist, saw the possibilities of using the idea as an adjunct to his own optical microscopy. By early 1986 he had a prototype working. The LMB then funded a crucial further stage of development, allowing him to add an image processing system to the new optics. "This was the key - then it really took off," Dr White says.

But the major microscope companies showed no interest (although one British firm tried to go ahead on its own, after being shown the LMB instrument). So the LMB redesigned its microscope as a Mark 2 commercial prototype and applied for a patent.

BIOKITS, based in Clwyd, North Wales, has pioneered a range of food tests derived from immuno histochemistry commonly used in medical diagnostics. Kits in production include one to detect the presence of horse meat in hamburgers, while another spots and quantifies soya beans in meat products.

Another Welsh company, Clear of Cardiff, has invented a luminometer to detect microbial infections in foodstuffs and medical samples.

Test of a true beefburger

BIOKITS, based in Clwyd, North Wales, has pioneered a range of food tests derived from immuno histochemistry commonly used in medical diagnostics. Kits in production include one to detect the presence of horse meat in hamburgers, while another spots and quantifies soya beans in meat products.

Another Welsh company, Clear of Cardiff, has invented a luminometer to detect microbial infections in foodstuffs and medical samples.

Get £72 worth of essential business information free

FinTech, the specialist newsletters covering the impact of technology on your business.

An essential business briefing. It tells me precisely what I need to know and gives me the time and effort of scanning countless other publications.

Mr. R. K. Shore, Manufacturing and Systems Manager, ICL.

This comment explains why so many people in key management positions rely on FinTech - the specialist fortnightly newsletters from the Financial Times Business Information service. Shouldn't you be sharing the advantage?

Get up-to-the-minute information on how new technology affects your industry... markets... investments... competitive performance. Simply select the newsletter most pertinent to your business:

- Telecom Markets
- Electronic Office
- Personal Computer Markets
- Automated Factory
- Software Markets
- Computer Product Update
- Mobile Communications

Get all seven FinTech newsletters FREE

To help you choose, send now for the newsletter covering your interests. If you wish, ask for all seven. Normally, this complete set costs £72 a fortnight, but you can sample FinTech FREE of charge.

Just write to Cathy Palmer at FinTech, FT Business Information Ltd., 30 Epsom Rd., Guildford, Surrey, GU1 3LE, or call Cathy on...

0483 576144

FINTECH

FinTech is also available on-line through Telecom Gold. If you have a Telecom Gold mailbox, simply type FINTECH after the prompt sign. As a subscriber, you're entitled to FREE Telecom Gold registration, and access to current and back editions at the nominal surcharge of 15p a minute.

TELECOM GOLD

First class flight over-rated, air user survey finds

BY DAVID CHURCHILL

EUROPEAN business travellers are sceptical about the value of paying a higher premium for first or business class seats on airlines, according to a survey of more than 9,000 frequent business travellers.

Indeed, the frequent business traveller - especially from Austria, France, Italy, and Spain - flies economy class as often as business or first.

Only for long-haul flights do business travellers choose, where possible, to fly first class - and four out of every 10 still did not think the standard of service and comfort provided justified the premium cost of a first class ticket.

The International Air Travel Survey was carried out by European Data and Research, its findings suggest that the conventional view of the pampered business traveller is far from accurate.

The report defines a frequent business air traveller as someone who travels three or more times a year on business. About half of the respondents were very frequent travellers, making 10 or more business trips a year.

One in every three was an owner, director, or senior manager of a company, but almost half were in middle management or in professional/technical jobs. Few were in government or junior management positions.

The report also reveals that

only one out of every 10 frequent travellers surveyed was a woman executive on business.

Even though air fares in most cases are paid by an employer, business travellers strongly believe European air fares are too high.

Particular European routes where fares are considered too high are UK to France, Germany, and Scandinavia; France to Italy and Germany; and Italy to the UK. Internal flights in the UK, France, and Germany were also considered expensive.

In contrast, Europe-to-US fares and internal US air fares were considered "about right".

British Airways was regarded as the airline providing the best business class service, followed by Lufthansa, Air France, and Swissair.

The frequent business traveller is also a user of credit cards when abroad, preferring them to cash or travellers' cheques.

Almost nine out of every 10 surveyed had a credit card, with more than a third using a gold card.

American Express was the most popular card for frequent travellers, apart from French business executives who preferred to use Visa/Carte Bleue.

International Air Travel Survey, European Data and Research, 8 Friday Street, Henley-on-Thames, Oxon, RG9 1AR; £30

Pujol set to win a third term as Catalan leader

BY TOM BURNS IN MADRID

MODERATE nationalist leader Mr Jordi Pujol seems likely to be returned to power for a third term as president of the Generalitat, the autonomous government of Catalonia, in regional elections tomorrow.

Opinion polls have consistently given the Catalan leader's Convergencia i Unio (Unity) party close to half of the votes and the Partit Socialista de Catalunya (PSC), the local branch of Prime Minister Mr Felipe Gonzalez's Socialist Party, short of 30 per cent.

Mr Pujol has built up his party's unassailable lead as much by stressing its Catalan nationalist component as by heaping criticisms on the Socialist Government in Madrid and proclaiming his belief in a market economy. He has drawn votes from the rival, left-leaning nationalist party Esquerra Republicana de Catalunya and Alianza Popular, the Madrid-based conservative party.

Mr Pujol has exploited the twin nerve chords of Catalonia, which are its money ethic and its national identity. He has claimed that, under his party's leadership, the area has confirmed its

position as the pacemaker of the Spanish economy and that his government has also what he terms "affirmed" Catalonia's linguistic and cultural heritage.

As president of the Generalitat since 1980, Mr Pujol has promoted Catalonia's industrial profile to corporations and to investors in the US, Japan and Europe. The focus of his successful salesmanship was that Catalonia was and remains the most advanced cultural corner of Spain, the home of its manufacturing tradition, its business schools and of the nation's commercial skills.

A key theme throughout the campaign has been that the north-east of Spain leads the country in growth rate, in investment and in active population.

If Mr Pujol's party does win convincingly tomorrow, it would make him the inevitable power broker of the centre-right in Spain for he has become its most highly regarded leader thanks to his proven ability to deliver non-socialist majorities. Any alignment of the centre-right in Spain will have to take Mr Pujol into account and even allow him to dictate his, and by extension Catalonia's, terms.

Howe will seek to rebuild confidence on Hong Kong visit

BY ROBIN PAULEY, ASIA EDITOR

SIR GEOFFREY Howe, the British Foreign Secretary, arrives in Hong Kong tomorrow for his first working visit since the agreement in 1984 for the return of the colony to Chinese sovereignty in 1997.

His main task during his three-day visit will be to try to rebuild the confidence that has been the key to the colony's extraordinary economic success. He will also seek to reassure the Hong Kong people that all will be well, and that the arrangements under which China is to resume control contain more than enough safeguards for their future.

It will not be easy. The recently-published Draft Basic Law which will cover the Hong Kong Special Administrative Region after 1997 has attracted criticism, in particular for proposals covering the form of government after the hand-over.

In addition, Hong Kong faces an increasingly serious problem of qualified workers leaving the territory to try to gain citizenship and passport rights in other countries. Middle management is the most seriously affected and the exodus has raised again the question of whether Britain should not have provided passports allowing right of abode in the UK after 1997.

Many Hong Kong and British businessmen suffering this loss of talented staff say it is possible that, armed with that security, fewer would have left before or after 1997 than seems likely.

There are divided views in Hong Kong about the extent to which Britain should have moved to introduce more direct democracy into the colony and whether the British and Hong Kong governments have been too willing to put relations with China above the interests of the Hong Kong people. Sir Geoffrey takes great exception to this suggestion and

is expected to work hard to dispel it.

The difficulties surrounding these issues are compounded by the fact that Sir David Wilson, the Governor, has yet to make his mark on the colony. In a recent opinion poll a substantial majority thought he was not forceful enough - although it is unclear whether this response referred to his dealings with Peking or London or to his conduct of affairs within Hong Kong.

On top of all this there is the vexed question of Vietnamese refugees who are arriving in increasing numbers after risking their lives to cross the South China Sea in boats that are hardly seaworthy. They are held in closed camps, one of which Sir Geoffrey will visit, although he is expected to be kept away from the worst conditions of the older camps.

The refugees are resented by many Hong Kong Chinese because illegal refugees from China are returned across the border immediately even if they have relatives legally settled in Hong Kong.

There is talk of regarding the Vietnamese as mainly economic rather than political refugees. This would open the way to returning them although Vietnam has so far refused to accept any and international opinion remains concerned as to what fate might await them if they were returned.

Britain's position as the colonial power is much criticised because of the small number of Vietnamese refugees accepted into Britain. The argument that the UK's quota of 20 a month is reasonable considering the burden of settlement already undertaken from parts of the old empire, mainly from the Indian sub-continent, is unlikely to be well received.

Roderick Oram reports on a grassroots campaign that closed a New York power station before it opened

Islanders win 22-year battle against nuclear plant

THIS WEEK a tanker truck carrying 2,800 gallons of propane gas overturned on a crowded expressway in the Long Island suburbs of New York City. The neighbourhood was evacuated and traffic on some of the most congested roads in the US was tangled for two days while the dangerous cargo was burnt.

To opponents of the Shoreham nuclear power station, 35 miles east of the city, it was yet more evidence that they would be trapped on Long Island, victims of geography and bureaucratic indifference, if the plant failed catastrophically.

Some 120 miles long and rarely more than 20 miles wide, the island runs from the suburbs of Queens and Brooklyn to remote sandy beaches in the east. The only way off, apart from an armada, is via some dozen road and rail links straight into the densely packed streets of New York City.

From the day Long Island Lighting Company first proposed a nuclear power station 22 years ago, protesters vividly invoked the evacuation nightmare. Their campaign, a model of sophisticated grassroots politicking, paid off on Thursday. Lilco and New York State agreed that the \$5.3bn Shoreham plant will be abandoned.

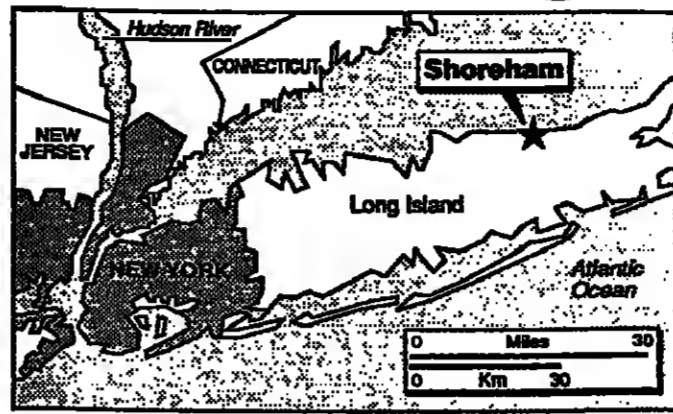
Although Shoreham is the first fully functioning US nuclear plant to be closed without ever being used, the nuclear industry was resigned long ago to such setbacks. Since the Three Mile Island disaster in 1979, public concern and skyrocketing costs have forced the cancellation of some 100 plants in varying stages of design or construction. Perhaps only a dozen more will ever be completed in the US.

Protesters have dogged many other plants around the country but none with the success of the Long Islanders. Anti-Shoreham forces, quick to admit being surprised by victory, say many factors, from luck and bad weather to Lilco's mismanagement, all played their part. Two aspects, though - geography and the local political structure - made Shoreham highly unusual and gave the protesters the necessary leverage.

Opponents fault regulators for approving the site, the only nuclear plant in the country on a densely populated island. The evacuation issue rallied Long Islanders who, frustrated daily by poor driving conditions, might otherwise have backed nuclear power. Fully 76 per cent of them wanted Shoreham killed, according to recent polls.

Lilco and Washington nuclear power agencies have long called protesters outrageously alarmist. They say they would never have needed to evacuate more than the 125,000 people within a 10-mile radius of Shoreham.

Long Islanders are not alone in their concerns, however. There



are six long-running operating nuclear plants in New York's commuter belt, with the closest, Indian Point Three, only 28 miles up the Hudson River from Manhattan.

The campaign against Shoreham bubbled along as something of a fringe movement through the 1960s and 1970s. But the accident at the Three Mile Island nuclear plant in Pennsylvania in March, 1979, began to awaken the public's fears. It led to the largest ever anti-Shoreham rally on June 3, 1979, according to Ms Nora Bredes, one of the key protest leaders who is known as the memory of the movement.

Freshly graduated from Columbia University in 1979, she was a young single woman who thought she was taking on a

1979, only three of the 18 opposed Shoreham. The protesters hammered away at them in legislature meetings and elections until in a critical turning point in February 1983 they voted 17 to one to stop Shoreham.

Mr Mario Cuomo, barely a few weeks in the New York Governor's mansion, responded rapidly to the expression of local opposition and threw his weight behind it. He was to play a leading role through the years, helping win in 1988 New York State Assembly approval for an attempt at a public sector takeover of Lilco.

Suffolk County's main tactic was to refuse to use its police or other emergency services in dress rehearsals of Lilco's evacuation plan. The utility thinks it might eventually have won Washington approval for an alternative plan using 3,000 volunteers and employees but it also argued that in a real emergency the county would cave in and offer its services.

Official support from the county transformed the campaign. Ms Bredes estimates it has spent some \$20m of taxpayers' money to fight Lilco over the past six years.

It was still a huge fight every step of the way, with luck often tipping events. "When you look back to the darkest days, something always seemed to right the wrong," said Mr George Hoffman, a protester since 1979 and currently an assistant to Mr Wayne

Prospect, a leading Suffolk County legislator and Shoreham opponent.

Just when Lilco was beginning to rebuild some public support for Shoreham, Hurricane Gloria slammed into Long Island in September 1985. It left many of Lilco's customers without power for up to 11 days, heightening the perception that the utility was ineptly run. Its credibility had also been badly eroded by New York State's earlier decision that \$1.6bn of Shoreham's costs were attributable to the utility's slack management of the construction project.

The following summer, the Chernobyl disaster severely undermined Lilco's efforts to sell its evacuation plans. While protesters acknowledged the big differences between the Soviet and US plants, they pointed to the widespread damage and evacuation at Chernobyl.

Ultimate victory this week was not without its severe disappointments, however. Taxpayers and Lilco's customers will bear a considerable part of the cost of Shoreham and they face the prospect of three or four years of brown-outs or blackouts before alternative generating capacity can be built.

Overall, though, Ms Bredes believes the fight showed that "local grassroots protesters can be successful if they choose their strategy carefully."



"1992 is just around the corner. Start planning now."

SOPHIE MIRMAN (Businesswoman of the Year)

Together as a single market.

At Sock Shop a senior director has already been appointed to plan for the single European market.

Will your business be caught with its socks down in 1992?

With less than five years to go, you need to find out now how the changes will affect you.

And your future.

So seize the opportunity and phone our hotline or fill in the coupon for more detailed information.

01-200-1992

1992 - quatre-vingt douze - is just around the corner, so allons-y, et bienvenu au marché.

To: DTI 1992 Campaign, FREEPOST (GR 629), Cirencester, Glos. GL7 1BR. Please send me more information about the Single European Market.

NAME _____

POSITION _____

COMPANY _____

ADDRESS _____

COUNTY _____ POSTCODE _____

Number of employees _____

Is your business primarily involved in:
 Manufacturing Service SMFT 1

dti
 the department for Enterprise

EUROPE OPEN FOR BUSINESS

OVERSEAS NEWS

EC ministers agree to end steel output controls

BY WILLIAM DAWKINS IN BRUSSELS AND DAVID GOODHART IN BONN

AN INFORMAL consensus was reached by European Community industry ministers yesterday that EC output controls on hot rolled steel coil and heavy plate should be scrapped at the end of next month.

again on June 24 to decide finally on the future of the quota system, which helps prop up prices for about half of EC steel output.

OECD will withhold report on Sweden

By Robert Taylor in Stockholm

THE ORGANISATION for Economic Co-operation and Development has decided to withhold its annual survey of Sweden until early next year because it does not want the report to be controversial in the country's general election in September.

The publication date had been fixed for early August but OECD officials in Paris feared their survey would be used by Swedish political parties as campaign ammunition.

Mr Jorgen Elmstam, head of OECD's Nordic desk, denied that the postponement was due to pressure from the Swedish Government, whose influential Finance Minister, Mr Kjell-Olof Feldt, happens to chair the OECD's finance committee.



President and Mrs Reagan stand in attention for national anthems with Finnish President Mauno Koivisto. They leave Finland for the Moscow summit tomorrow

Senate near to passing INF pact

BY LIONEL BARBER IN WASHINGTON

THE US Senate yesterday edged closer to approval of the INF treaty banning US and Soviet medium-range missiles, raising hopes that the pact will be ready in time for the Moscow summit.

Mr Howard Baker, White House chief of staff, was standing by in Washington to sign the ratification papers to President Ronald Reagan, who was resting in Helsinki en route to Moscow where the summit begins tomorrow.

Though the treaty enjoys overwhelming support among senators, a handful of conservative Republicans led by Senator Jesse Helms of North Carolina have sought to delay approval by using procedural amendments.

A key substantive provision passed on Thursday stipulates that the White House will be bound in the future by the interpretation "shared by the President and the Senate" at the time of ratification.

Moscow 'softens line on Palestine state'

By Andrew Whitley in Jerusalem

THE Soviet Union has abandoned its long-standing insistence on the creation of an independent Palestinian state in the Middle East, a senior Israeli official said yesterday.

Moscow's support for the Palestine Liberation Organisation, demanding a separate seat for itself at any international conference, was also said to be waning.

Speaking at the eve of the Moscow-Gorbachev summit in Moscow this weekend, the Israeli official said that new Afghanistan was out of the way, the Soviet Union had put the Arab/Israeli dispute on the top of its regional issues agenda. It was said to be displaying unprecedented flexibility.

Statoil 'uncovers oil espionage ring'

STATOIL, the Norwegian state oil company, said yesterday it had uncovered an industrial espionage ring working to sell information on big international oil projects to the highest bidder, Reuter reports from Oslo.

Statoil spokesman Haakon Lovik said eight companies, mostly based around London, had been working to obtain confidential details of projects and sell them to companies bidding for contract work.

He declined to identify the companies but said "most of them are little more than paper companies. We have found that they are working in many large international oil developments."

Mr Lovik said Statoil began an investigation last autumn after finding that secret information about the Vesleflikk project was being offered to potential contractors.

Japanese Socialists fire editor

By Ian Rodger in Tokyo

THE JAPANESE Socialist Party has fired the editor of its party newspaper after an article in it claimed that the South Korean, Japanese and US governments conspired to crash the Korean Air Lines aircraft in Burma last November.

The anger of the JSP, Japan's largest opposition party, over the article stems from its appearance just as the party is redoubling its efforts to establish friendly relations with South Korea.

The party, the JSP, which has long been supportive of the North Korean regime, had regarded South Korea until recently "with hostility", as party documents put it.

This policy has never been popular in Japan and, in the view of many Japanese political observers, has meant the JSP was not a credible alternative government.

However, the JSP has had to respect the strong ideological commitment of some of its members. Indeed, the newspaper incident is seen by some observers as a bid by elements in the party to queer the executive's attempts to build bridges to Seoul.

Those attempts began early this year after civilian rule by democratic means was established in South Korea. In February, the party lifted its ban on travel to Korea by JSP parliamentarians and Ms Takako Doi, the JSP leader, indicated that she would like to visit Seoul and talk to Mr Roh Tae Woo, the new president.

Nato to look at ways of sharing costs more fairly

BY WILLIAM DAWKINS IN BRUSSELS

NATO OFFICIALS are to come up with a plan for sharing the costs of the alliance's European members should shoulder a greater share of the organisation's military costs.

Defence ministers in Nato yesterday agreed that "the need for all alliance members to share equitably the roles, risks and responsibilities, as well as the benefits of collective defence" was fundamental.

This was a response to US pressure for more evidence that European allies are prepared to help relieve the pressure on the US budget deficit by spending more on conventional forces.

Lord Carrington, Nato Secretary-General, said he did not expect the Moscow summit next week to reach an accord on a 50 per cent cut in strategic nuclear forces.

Collaborative arms procurement on the lines already followed by the European Fighter Aircraft project, will be high on the agenda of the burden-sharing review, to be presented to the next meeting of defence ministers.

Iran rules out negotiated end to war

IRANIAN President Ali Khamenei yesterday ruled out a negotiated end to the seven-year war with Iraq and victory down reports of a big Iraqi victory this week, Reuter reports from Nicola.

Mr Khamenei, reported by the Iranian news agency Iran, said there was "absolutely no indication that Iran might at any future time consider the idea of compromising principles or welcoming suggestions for a negotiated end to the Iraq-Iran war."

Baghdad said it routed five Iranian divisions in recapturing the Shalammeh area east of the southern Iraqi city of Basra on Wednesday. Iran said its troops withdrew to new positions in the marshland area.

Iran, which also recaptured the Faw peninsula in mid-April, accompanied reports of the fighting on Wednesday with appeals to Tehran to accept a United Nations-ordered ceasefire.

Nickel export duty row in Dominican Republic ends

BY KENNETH GOODING, MINING CORRESPONDENT

THE dispute which since last December has disrupted nickel shipments from the Dominican Republic, which accounts for about 5 per cent of the Western world's nickel output, has been resolved.

The row flared up after Falconbridge, the Canadian natural resources group, refused to pay new export duties.

Nickel shipments were curtailed and this exacerbated a shortage of the metal forcing prices to record levels.

Details of the revised agreement have still to be worked out but Mr Bill James, Falconbridge's chairman, said it establishes a more equitable tax structure based on deemed profits.

The estimated Falconbridge's 65.2 per cent-owned subsidiary, Falconbridge Dominicana, would pay taxes of \$60m to \$70m this year.

Output of nickel in the Dominican Republic this year will be cut by about 10m lbs. Last year's output was about 60m lbs.

Loans to Yugoslavia

A top aide to the embattled US Attorney General Mr Edwin Meese resigned yesterday, adding to the turmoil in the US Justice Department.

The World Bank may play a bigger role in Yugoslavia in the next few years, possibly tripling or quadrupling the money it lends, assistant Finance Minister Boris Skapin said yesterday, Reuter reports from Belgrade.

He said World Bank loans to Yugoslavia will be raised from \$200m a year to between \$500m and \$800m a year in 1990-1993 and spoke of an "ambitious" four-year World Bank programme including several long-term credits for development projects.

Greece-Turkey deal

Greece and Turkey agreed yesterday to try to reduce the risk of a military conflict developing during exercises in the Aegean by avoiding manoeuvres during sensitive periods and which could obstruct shipping and air traffic, writes Athens Ierodiakonon in Athens.

The two countries also agreed in a memorandum of understanding to respect each other's sovereignty and territorial integrity.

Pretoria rates denial

South Africa's Information Minister has retracted a statement that the Government would hold down increases in domestic interest rates, Reuter reports from Johannesburg.

Bankers interpreted a statement on Thursday by Mr Stoffel van der Merwe that the Government was concerned about a steep increase in interest rates since the start of the year, and has vowed to curb further sharp rises as meaning that the Government would intervene to prevent the commercial banks' prime lending rates from rising from the current 15 per cent.

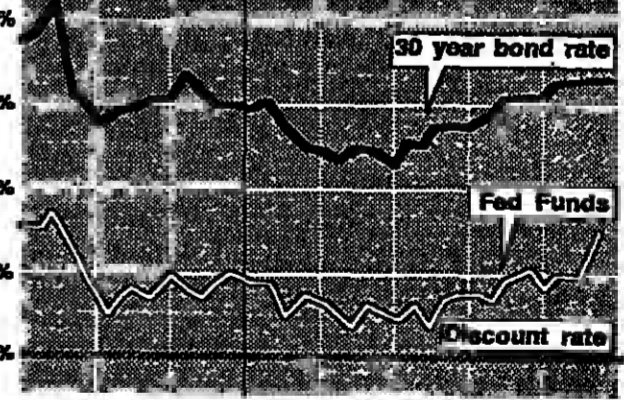
Congress nears approval for \$1,100bn US budget

THE US Congress is moving with unusual speed toward approval of a \$1,100bn federal budget for the 1989 fiscal year, thanks to a little bipartisan co-operation and a lot of creative arithmetic, AP reports from Washington.

The House approved the spending plan by 301-181 vote on Thursday shortly after House-Senate negotiators reached agreement on a compromise document after six weeks of haggling.

The Senate is expected to give quick approval to the measure after the chamber returns early next month from its Memorial Day recess.

US interest rates



Advertisement for 'WILL POWER' featuring images of people and text: 'Please use your WILL POWER to help us grow old with dignity'.

Advertisement for GRANVILLE SPONSORED SECURITIES with a table of securities and company information.

Andrew Whitley reports on efforts to bring holidaymakers back to the Promised Land

How the tourists came to pass Israel by

IT WAS an unusual presentation for the pin-striped Madison Avenue executives, exuding breathlessly over their demonstration television spots and paste-up boards. The product they were selling was Israeli tourism, and the client across the green baize table was the chairman of the board himself, Prime Minister Yitzhak Shamir.

country since December, when the Palestinian uprising began. This tide is beginning to have a dramatic effect on tourist arrivals.

luxury hotels Pleading with the Tourism Ministry for additional assistance, including relief on construction loans, the hoteliers do not think much of the campaign that Grey Advertising is about to mount on the country's behalf.

Lisbon labour law

Liberalisation of dismissals and co-ordination of Portuguese labour laws with those of the European Community were delayed this week when the Constitutional Tribunal announced the Social Democrat Government's labour reforms unconstitutional, writes Diana Smith in Lisbon.

FINANCIAL TIMES logo and publication information.

Peter Riddell examines the implications of the bids for Rowntree
Labour widens the takeover debate



Lord Young: Criticism from Yorkshire MPs



Neil Kinnock: Playing the nationalist card

Labour's trade spokesman, questioned whether 30 or 40 fund managers were the right people to decide the future of key industrial sectors.

LORD YOUNG, Trade and Industry Secretary, may reflect that the row over the future of Rowntree has been as effective in making politicians and businessmen aware of the implications of the creation of the European internal market after 1992 as has his department's star-studded advertising campaign - and at considerably less cost to taxpayers.

While the future of Rowntree will now be determined by its shareholders rather than by ministers, there are continuing political implications.

In the immediate future, as Mr Neil Kinnock, Labour Party leader, said yesterday after visiting a Rowntree plant in Newcastle, the opposition intends, "inside and outside parliament, to do everything possible to assist workers, managers and local communities to resist the selling of Rowntree."

involved recognises that any Westminster row is likely to be short-lived once the future of Rowntree is determined.

Hence, the opposition is keen to broaden the debate to a threat to other companies - notably Cadbury Schweppes - and to questions of industrial policy.

industrial sectors - with Britain being more open to such bids than its overseas competitors. As Mr Kinnock argued yesterday, "The increasing ownership of productive assets in Britain by multinationals makes us more and more a branch economy."

Labour is also challenging the way in which decisions are reached about companies such as Rowntree. Mr Tony Blair,

The approach of 1992 has drawn this concern - indeed the Government's awareness campaign may have increased business and political fears. The recovery in self-confidence about Britain's ability to compete felt by the Government and its supporters is not necessarily shared elsewhere.

The overall political impact will depend not on who takes over Rowntree but on how many other British companies are taken over. If the Rowntree takeover is an isolated instance, then it will be forgotten nationally although probably not in York and the surrounding areas. If it marks the start of a trend, then a potentially long-lasting political and electoral issue may have been created.

Textile group plans factory

DAWSON INTERNATIONAL, the textile group, plans to invest at least £12m in the construction of a Dralon upholstery fabric factory in Yorkshire, creating up to 300 jobs.

The project is a response to the Government's forthcoming regulations on furniture flammability, due to be published late next month. They will impose stricter flame retardancy requirements on upholstery fabric from March 1990.

The new factory will be built alongside an existing Dawson production plant in Shearwater, West Yorkshire. All the Dralon production will move out of the old plant, which will then concentrate on manufacturing fleece fabrics for leisurewear. Construction should begin this year, with completion scheduled for 1989.

Package tour price cuts threaten

BRITAIN'S PACKAGE tour operators are facing the peak summer season with up to 2m un sold holidays and widespread fears of a fierce last-minute price war to fill empty airline seats and hotel beds. Although the leading travel companies firmly maintain in public that there will be no repeat of last year's rock-bottom holiday prices - in order to discourage holidaymakers from waiting for last-minute bargains - price-cutting seems inevitable.

Mr Bruce Jones, a leisure industry analyst with stockbroker Kitcat and Aitken, says: "The travel industry expects some action soon to shift the unsold holidays." "There is still quite a lot of capacity about and, with volume down on this stage last year, something seems likely to happen." "The biggest problem facing the tour operators is the amount of capacity at the same time as holiday capacity has been increased."

Funds warning on liner project

ANY STATE subsidy for the Ultimate Dream cruise liner project proposed by Harland and Wolff would have to represent value for money for the taxpayer, Mr Peter Viggers, a Northern Ireland minister, said yesterday.

King persists with Ulster talks

ATTEMPTS to set up inter-party talks on the prospects for devolved government in Northern Ireland are to continue in spite of what the Unionist leadership regards as important barriers to progress.

Heathrow engineers decide to end strike

THE THREAT of disruption to air travel over the Whitman holiday weekend receded yesterday when more than 3,000 British Airways maintenance engineers agreed at Heathrow airport to end their five-day stoppage.

The engineers returned to work after BA management and union leaders had agreed to accept an independent examination of the circumstances surrounding the sacking of a shop steward.

BA claimed that the subsequent walk-out was "unjustified" because it had been conducted in defiance of a union officials' management of adopting unnecessarily tough tactics.

Critics of training deal meet on strategy

THREE UNIONS representing thousands of local government workers plan to adopt a strategy next week for opposing the Government's £1.4bn training scheme for the long-term unemployed.

The unions are the National and Local Government Officers' Association (Nalgo), the National Union of Public Employees (Nuppe) and the Transport and General Workers' Union.

Cost of pay in London 'can exceed home aid'

ALLOWANCES paid to employees in and near London to meet high home prices often cost more than schemes in which employers provide direct housing subsidies or take equity stakes in employees' homes, according to a report published today.

HONG KONG

The Financial Times proposes to publish this survey on: 23 JUNE 1988. For a full editorial synopsis and advertisement details, please contact: PETER HIGHLAND on 01-248 8000 ext 3295

Electricians seek unions for an alternative TUC

THE EETPU electricians' union and the Professional Association of Teachers (PAT) have drawn up initial draft principles for an alternative Trades Union Congress. They hope to reach agreement at a meeting on EETPU premises next month.

The EETPU and the PAT, which is not affiliated to the existing TUC, think that once they have agreed the outlines of an alternative trade union centre, it will be easier to draw other non-TUC unions into it.

Nurses may spread membership

THE Royal College of Nursing, the largest nursing union, yesterday took a first step towards allowing nursing auxiliaries to join it. The decision came after moves by the Government to create a new grade of nursing support worker.

Whether we like it or not, we can no longer hold on to the dream of a totally qualified nursing staff. There are no longer enough 18-year-old girls.

The Department of Health and Social Security envisages a pool of between 150,000 and 200,000 nursing assistants who would take over some of the functions of qualified nurses in hospitals.

Q. WHY IS A BOMBAY BUS TICKET WORTH \$10,000? A. HAWALA. Among the world's banking networks is one so secret it has no address, no records, no controls. But your corner shop may be part of it. This month, BUSINESS investigates how Hawala, India's money laundry, is now being hijacked by international crime.

FINANCIAL TIMES. The Financial Times proposes to publish this survey on: 23 JUNE 1988. For a full editorial synopsis and advertisement details, please contact: PETER HIGHLAND on 01-248 8000 ext 3295

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000

Saturday May 28 1988

Mr Lawson on thin ice

MR NIGEL LAWSON, Chancellor of the Exchequer, has won a well-deserved reputation as an elegant skater on the ice rink of policy. He has managed to remain upright, however during the tumbles, despite the occasional (if loudly expressed) misgivings of his coach. But the most dazzling technique is no proof against a crack in the ice - and the ice is getting worryingly thin.

There is quite a lively debate over whether the UK is in the middle of an economic "miracle" or at the tail-end of an unsustainable consumer-driven expansion. The difficulty for Mr Lawson is that both propositions are correct.

The improvement in underlying performance is quite clear. In manufacturing the trend growth of labour productivity has been close to 5 per cent a year in the 1980s, though that in the economy as a whole is much lower. The potential rate of growth of the economy in the long term is now thought to be about 3 per cent a year, well above the rate of the 1970s, though no higher than in the then-despised 1950s and 1960s.

At the same time, demand has been growing much faster than long term potential supply, one result being GDP growth of 4 1/2 per cent between 1986 and 1987. Such "unsustainable" growth is, from one point of view, highly desirable, since it has contributed to a reduction in measured unemployment (seasonally adjusted) of 755,000 from the peak of 3,210,000 in July 1982. From another point of view, it is disturbing, because the credit-driven expansion of demand looks quite unstoppable.

Creditworthiness

The test to come is how far UK creditworthiness will stretch in the face of a trend deterioration in the external account. Past experience suggests that external finance cannot increase without limit. At some point the scale of the claims accumulated against residents of the UK, along with the continued requirement for fresh borrowing, is likely to lead to a balance of payments crisis. If, in the meantime, the buoyancy of domestic demand has pushed up the prices of non-tradeable goods and services, a sharp recession may be required to adjust the current account to what foreigners are prepared to lend. Alternatively, adjustment may include a large depreciation. Indeed, one can expect analysts to recommend depreciation in these circumstances. It is awareness among creditors of that very possibility which will exacerbate any exchange rate crisis, while the depreciation itself would turn into a vicious circle, if it were to be followed by a current account deterioration, back on the domestic economy.

Perhaps as soon as next year, the Chancellor will regret the unavailability of the best alternative to the sharply higher interest rates needed to defend a sterling exchange rate with little credibility behind it, namely, full membership of the European Monetary System. What is needed now is not more of the skillful skating to which we have become accustomed. It is a different rink.

Similarity

With one major exception - the fiscal position - the UK economy has become worryingly similar to the US economy of a few years ago. Household savings have declined to almost comparable levels; borrowing is growing with startling rapidity; the currency is under strong upward pressure; and the current account is deteriorating. One even hears from pundits and from the Government itself that the strength of the currency reflects renewed confidence abroad - the apogee of the used to be trotted by Mr Denis Healey, then US Treasury Secretary, while the dollar and the trade deficit both soared.

When soaring demand hits a limited, even if growing, capacity to supply, two things can give: the current account or the rate of inflation. In the UK a case the strength of the currency has ensured that, so far, it has been the former. Unfortunately, the deterioration of the current account is more than a symptom of the pressure of demand, it is a harbinger of inflationary prob-

As Soviet troops withdraw and Afghanistan braces itself for civil war, John Elliott finds that Kabul just carries on trading

Business as usual while waiting for war

IT IS NOT quite the Hong Kong of the Hindu Kush. But the Afghan capital of Kabul is not making a bad job of being the free port of the Himalayas, given that it is in one of the world's poorest and most inaccessible countries - underdeveloped, war-torn and basically closed to outsiders.

Throughout the past eight years of Soviet occupation, Kabul has survived and even flourished as an important sub-regional entrepôt. It takes in duty free products from Japan and elsewhere through neighbouring Pakistan; then re-exports them (along with goods from Russia) at very low duties back to Pakistan. Its currency dealings, conducted by Sikh and Hindu Afghans of Indian origin in this Muslim country, defy logic.

As if to underline the city's role in international commerce, many Kabul streets are lined not with traditional ramshackle bazaar stalls, but with at least 40,000 cargo containers which have arrived in the last seven years from all over the world. Their ends are open on to the street; inside are displays of goods. They are cheaper than the traditional mud-brick constructions but are often covered with insulating mud rendering. Sometimes they are plastered together into terraces.

Here and in more established streets and bazars you can buy Japanese videos, toothpaste or truck tyres, Russian caviar, crab meat or vodka, Hong Kong toys, Pakistani fruit juice or biscuits, and Mercedes cars - as well as traditional Afghan carpets, jewellery and furs. Prices are low compared with most countries.

This commerce takes place against the background of a sprawling sandy-brown city, set in a large dusty plain surrounded by gaunt brown hills. In the distance rises the snow-capped mountain range of the Hindu Kush. Kabul's inhabitants know they are surrounded by Mujahideen posts in the hills, but they mostly ignore the guerrillas' regular rocket and other bomb attacks. They are accustomed to the overflying Russian bombers and helicopters and the parachute flares that light the night-time mortar battles.

One day in the next year, however, the routine of this unlikely city may be shattered by a battle or siege, unless a change of power in the present Soviet-installed government somehow takes place without too much violence. It is now two weeks since the first of an estimated 115,000 Soviet troops began to withdraw. In the closing stages of an occupation that has lasted since 1979, they are all due out by next February, leaving President Najibullah's Government and its far less competent Afghan armed forces to defend themselves against the US-supported Mujahideen.

As the troops pull out, there are many unanswered questions. How quickly will the Mujahideen mount a serious attack against Afghan army positions and how effective will they be? Will they be diverted by their own factional infighting?

Will President Najibullah be able to extend his policy of reconciliation far enough to attract enough Mujahideen leaders for a settlement? To do so, he will have to side-step hardliners in his pro-Soviet Peoples' Democratic Party of Afghanistan (PDPA). If he fails, will he have to step down to facilitate a settlement? Will the eventual outcome be a coup by those in the army and the PDPA who oppose reconciliation?

On Thursday night, President Najibullah announced a new Prime Minister, Mr Mohammad Hassan Sharif, who served in the 1970s before the Soviet invasion (after which he was imprisoned for 18 months). He is not a member of the governing PDPA; a new Cabinet now being formed includes more non-PDPA members to try to show that the Government is broad-based and capable of reconciliation. The country's National Assembly is expected to hold its first meeting for 15 years this weekend.

Located at the mountainous meeting point of East and West, Afghanistan has a long and turbulent history. Traditionally it repels invaders, who find its high mountains and deep narrow ravines impossible to conquer and hold - as Britain discovered in the last century and the Soviet Union has just learnt.

In another age, Afghanistan's battles would be of marginal interest to the world. Now they are the focus of international attention as the Soviet Union starts to make a military withdrawal while planning to retain economic domination of Afghanistan. It already accounts for more than 55 per cent of the country's international trade, and it supplies more than 80 per cent of foreign aid, which, on some Western estimates (in a country where no statistics have any reliability), accounts for as much as 70 per cent of Government expenditure. Now it is signing new provincial aid and trade protocols and is proposing industrial joint ventures as well as expanding the exploitation of gas and other natural reserves.

It could cost \$500m to provide for the return of the 5m refugees, plus \$1bn to reconstruct the country's devastated economy

The Soviet Union's ambassador in Kabul has also expressed his country's interest in joining a reconstruction programme arranged by the United Nations. Prince Sadruddin Aga Khan, the UN co-ordinator of the programme, is visiting Kabul today and tomorrow. He will also go to Pakistan and Iran, before launching an international appeal for between \$1bn and \$2bn. This will bring in more Western funds than ever before; it will be used by the US as an opportunity to gain influence and counter that of the Soviet Union.

The first task is to provide for the refugees expected to return home when the military and political situation eases. There are an estimated 5m refugees (out of a total Afghan population of 15m in 1979) living in Pakistan and Iran. Coping with their return could cost between \$400m and \$500m, according to UN estimates.

Another \$1bn or more will be needed to reconstruct the country's devastated economy. Roads have been crushed by military vehicles, villages flattened by bombs and irrigation ditches and wells left to crumble. But no one knows exactly how much damage

back, though most international experts expect almost all to do so when the situation stabilises. So far President Najibullah's promises of reconciliation and rehabilitation have failed to attract more than about 130,000 of the 5m exiles - and that is according to official figures which may overstate the scale of the return. "The Government needs to do more to convince people of its sincerity. We know Najib means what he says about reconciliation, but we can't yet convince the refugees," says one politician.

The new administration, being formed following elections last month, is intended to help attract the refugees and help the Government talk to senior Mujahideen military commanders. The aim is to encourage them, one by one, to desert their political leaders based in Peshawar (in Pakistan) and declare a truce. In return they would be offered financial incentives, the right to run their own areas as provincial barons and even election to the new national assembly, where 50 out of 231 seats have been left vacant for them.

President Najibullah's PDPA, however, is split into three factions, two of which oppose the reconciliation plans. Mr Najibullah's faction - encouraged, presumably, in its attempts at reconciliation by Mr Mikhail Gorbachev, the Soviet leader - is called the Parcham. It runs the civil government and the Khad secret police.

For about two decades it has opposed the Khalqi faction of the party, led by Mr Gulabzoi, Minister of the Interior, which controls the army, airforce and paramilitary forces, and is ideologically more Marxist and less pragmatic. The possibility of a coup, if Najibullah's approach to the Mujahideen proves too conciliatory, cannot be ruled out. Some observers believe, however, that there will be sufficient Soviet military advisers and instructors left at the top of the Afghan army to block such a move.

The third PDPA faction is led by Mr Babrak Karmal, whom the Soviet Union replaced as President with Mr Najibullah two years ago. This group - traditionally a strong supporter of the Soviet Union - is, ironically, even more opposed than the Khalqis to reconciliation and compromise with the Mujahideen.

It is, in any case, too early for any significant deals with the Mujahideen. Most observers expect some sort of war to take place first, but not for three months. Then more of the Soviet troops will have gone, leaving the far less proficient and dedicated Afghan army to fend for itself, relying for support on its well equipped air force.

Half the 115,000 Russian troops are supposed to be gone by November. By then they will have left most major provincial



The future of Afghanistan: Mujahideen children prepared for battle

cities, such as Jalalabad, which they left a week ago, and Kandahar. And by then most diplomatic observers expect the Mujahideen to have greatly increased their already considerable occupation of rural areas and smaller towns. Most are prepared to carry on fighting rather than return to their farms. "At that point we wait for the war to start," says one senior diplomat.

The Mujahideen strategy in a war would presumably be to lay siege to a city, capture it and use it as a base to declare an alternative government, asking the US for recognition. That could trigger an even bigger war or, as seems likely at some time or other, a compromise with the PDPA for a new government in which the Mujahideen would play a large role and Najibullah might be sacrificed.

But with their distinctive ability to hit the rough edges of reality, the people of Kabul are leaving all this to the future. There were tearful hugging scenes at the airport this week as Soviet wives and children left for home ahead of their husbands; at taxi driver: "Soviets going home, the same time, however, Sikh good!"

Man in the News



Klaus Jacobs

Chocolate soldier with a hard centre

By William Dullforce and David Waller

ly feeling. In motivating his managers and shaping the corporate culture he urges them to emulate the spirit of family entrepreneurs like his grand-uncle. "The employee as entrepreneur" was the theme of the 1986 annual report.

Something of a management theorist, Mr Jacobs spells out corporate principles, puts great emphasis on in-house management training and likes to set annual themes for management. Last year it was "people"; this year it is - appropriately enough - "global brands".

A German by birth, but now a Swiss citizen, he has earned a reputation for toughness. This, critics say, was demonstrated in the reverse takeover of Interfood,

Mr Jacobs, now 52, has never left the nest of his international investment community. His charm goes hand in hand with a slight menace. Last week, he threatened to unleash commercial retaliation if Rowntree fell to Nestlé. He is ready with a whole range of products which he says could be pitched with devastating effect at Rowntree's niches in the market for "confectionery products such as Kit Kat. He claims to have held back the launch of these products in the hope of a friendly alliance with Rowntree. Mr Kenneth Dixon, his counterpart at Rowntree, challenged this and brushed off the threat of competition.

Nevertheless, in Zurich, businessmen disagree with Londoners about Mr Jacobs's motives in making a firm bid for Rowntree. They believe that rather than looking to maximise his turn on the Rowntree stock he has bought, he genuinely wants a merger.

They are convinced that his capacity for harassing Nestlé should not be underestimated even if the bigger company responds with a higher, "knock-out" offer. He is unlikely to relinquish his 28.9 per cent stake in Rowntree to his arch-competitor without a strenuous fight.

Much is made of the supposed personal animosity between Mr Jacobs and Mr Helmut Maucher, the chairman of Nestlé. Mr Jacobs dismisses this as "100 per cent myth" but observers remain unconvinced. Certainly, the two companies have been fierce competitors in coffee for generations, and more recently in the European chocolate market.

Those close to Mr Jacobs say that his greatest love is his family. He has six children and lives on the shore of Lake Geneva - where, precisely, is not disclosed for fear of kidnapping. His great passion is horse-riding. He gets up at 5.30 am to ride and is one of the seven from whom the four-man Swiss team for the Olympic dressage trials will be selected. He is not expected to be chosen, but he provides strong financial support - the sport brings out the same competitive spirit displayed in his business career.

Our guide will translate double Dutch into plain English.

It's no surprise that some private investors have avoided the Options and Futures markets. There is often simply not enough information available, and the shoddy practices of some companies have given the trade a bad name.

In reality, Options and Futures belong in any balanced portfolio. Our free guide will illustrate the opportunity the market offers and help clear up any misconceptions. (For example, buying options guarantees you limited liability.)

Mordens trades extensively in the UK and the USA, with a reputation built on expertise and honesty.

Our guide introduces you to the subject in a clear, straightforward way. If you are interested, send off the coupon, or phone William Howard on 01-929 2313 during office hours.

As this is such a highly specialised area, you might like one of our consultants to take you through Options and Futures in more detail.

In that case, please give us your telephone number. This will purely be for the initial consultation, and should you wish to take it no further, we will remove your particulars from our lists.

To: The Hon. Robert Harbord-Hamond, Mordens Ltd., 19 St. Mary-at-Hill, London EC3R 8EE.

Name _____

Telephone No. (Day) _____ (Evening) _____

Address _____

Postcode _____

Signature _____ MORDENS LIMITED

ONLY SPECULATE WITH FUNDS YOU CAN AFFORD TO LOSE.

FT - ACTUARIES WORLD INDICES

Jointly compiled by the Financial Times, Goldman, Sachs & Co., and Wood Mackenzie & Co. Ltd., in conjunction with the Institute of Actuaries and the Faculty of Actuaries

Table with columns: NATIONAL AND REGIONAL MARKETS, THURSDAY MAY 26 1988, WEDNESDAY MAY 25 1988, DOLLAR INDEX. Rows include Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Italy, Japan, Korea, Malaysia, Mexico, Netherlands, New Zealand, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, UK, USA, etc.

Base values: Dec 31, 1986 = 100; Finland: Dec 31, 1987 = 115.07 (US \$ Index), 90.79 (Pound Sterling) and 94.94 (Local). Copyright: The Financial Times, Goldman, Sachs & Co., Wood Mackenzie & Co. Ltd. 1987. Last prices were available for this edition.

FT-ACTUARIES INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table with columns: EQUITY GROUPS & SUB-SECTIONS, Friday May 27 1988, Highs and Lows Index. Rows include CAPITAL GOODS, BUILDING MATERIALS, CONTRACTING, ELECTRONICS, MECHANICAL ENGINEERING, METALS, MOTOR VEHICLES, CONSUMER GOODS, BREWERS AND DISTILLERS, FOOD, FOOD RETAILING, HEALTH AND HOSIERY, LEISURE, PACKAGING & PAPER, PRINTING, STORES, TOBACCO, OTHER GROUPS, AGENCIES, CHEMICALS, CONSUMER SERVICES, SHIPPING AND TRANSPORT, TELECOMMUNICATIONS, UTILITIES, INDUSTRIAL SHARES, OIL & GAS, 500 SHARE INDEX.

TRADING VOLUME IN MAJOR STOCKS

The following is based on trading volume for Alpha securities dealt through the SEAG system yesterday until 5 pm.

Table with columns: Stock, Volume, Stock, Volume, Stock, Volume. Lists various stocks and their trading volumes.

ECONOMIC DIARY

TOMORROW: Mr Ronald Reagan, US President, arrives in Moscow for summit talks with Mr Mikhail Gorbachev, Soviet leader (until June 2). Mr Geoffrey Howe, Foreign Secretary, visits Hong Kong for updates on latest issues connected with 1997 (until May 31). French general election campaign begins. MONDAY: UK bank holiday. TUESDAY: Confederation of British Industry publishes monthly trends enquiry for May. Bank of England gives figures for London sterling certificates of deposit (April), bill turnover statistics (April), UK banks' assets and liabilities and the money stock (April) and sterling commercial paper (April). European Community public health and environment council meet in Brussels. WEDNESDAY: Department of Energy issues advance energy statistics (April). OECD publishes report on the US, EC economic and social committee meets. National Association of Head Teachers annual conference in Eastbourne (until June 2). Nominations open for leadership of the Social and Liberal Democratic Party. Mr Ernest Saunders and five others on Guinness charges appear on remand at Bow Street Magistrate's Court. Mr Peter Brooke, Conservative Party chairman, launches 'Campaign 88' recruitment drive. THURSDAY: UK official reserves figures for May. Investment intentions of the manufacturing and service industries (bi-annual). Capital issues and redemptions (April). UK President Reagan arrives in London for talks with Mrs Thatcher. FRIDAY: Engineering indices of production and orders (March). US employment report. US leading indicators. President Reagan meets Mr N. Takeshita, Japanese Prime Minister, in London. Mr Kenneth Baker, Education Secretary, to address the National Association of Head Teachers annual conference in Eastbourne.

FIXED INTEREST

Table with columns: PRICE INDICES, AVERAGE GROSS REDEMPTION YIELDS, Fri May 27, Day's change, Thu May 26, etc. Rows include British Government, 5 years, 10 years, etc.

EUROPEAN OPTIONS EXCHANGE

Table with columns: Series, Vol, Last, Bid, Ask, etc. Lists various European options and their market data.

THE F.T. CENTENARY TRIPLE MARATHON CHALLENGE (London Paris New York) IN AID OF THE SICK CHILDREN'S TRUST. Two employees from the Financial Times will be running the London, Paris and New York marathons this year to raise money for The Sick Children's Trust.

TAYLOR WOODROW Construction, Property and Homes - worldwide. 27th record year backed by long-term property and housing investment. Sir Frank Gibb, Chairman and Chief Executive, reports: The results for 1987 show a year of significant and not unsatisfactory progress for Taylor Woodrow. Shareholders' funds, including retained profits, totalled £593.7 million.

BASE LENDING RATES

Table with columns: Bank, Rate, Bank, Rate, Bank, Rate. Lists various banks and their base lending rates.

To sponsor the FT athletes please contact: Tim Kingham or Cliff Crofts on 01-248 8000 or write to them at: Financial Times, Bracken House, 10, Cannon Street, London, EC4A 4BY. THE SPONSOR WHO DONATES THE HIGHEST CONTRIBUTION WILL RECEIVE A CASE OF LAURENT-PERRIER FT CENTENARY PINK CHAMPAGNE.

Pulling together for people, performance and profit. HIGHLIGHTS 1987 1986 1987 1986. Turnover: \$902.2m \$793.2m. Profit before tax: \$73.1m \$57.6m. Earnings per share: 30.5p 27.1p. Dividends per share: 10.5p 9.5p.

WORLD STOCK MARKETS

NEW YORK (3 pm)

Table of New York stock market data including various stock prices and indices.

May 27 1988

Table of stock market data for May 27, 1988.

May 27 1988

Table of stock market data for May 27, 1988.

May 27 1988

Table of stock market data for May 27, 1988.

May 27 1988

Table of stock market data for May 27, 1988.

May 27 1988

Table of stock market data for May 27, 1988.

May 27 1988

Table of stock market data for May 27, 1988.

May 27 1988

Table of stock market data for May 27, 1988.

May 27 1988

Table of stock market data for May 27, 1988.

May 27 1988

Table of stock market data for May 27, 1988.

May 27 1988

Table of stock market data for May 27, 1988.

Wall Street

Dow drifts lower in thin trade. Active trading saw share prices close lower. There was caution regarding US interest rates...

Tokyo

Turnover was 138.1bn shares worth AS360.2bn and rises outnumbered falls by five to four. Bank stocks continued to attract the most attention...

Helsinki

A record high was reached at the close for the fifth day in succession. The United all-share index closed up 4.1 at 697.9 after Thursday's close of 683.5.

Amsterdam

Fears of a US discount rate rise dampened sentiment and the CBS all-share index closed 0.3 down at 83.0.

Oslo

In moderate trading, share prices closed higher after an incline in oil prices. Oil shares were boosted by news that the minority Labour government may consider selling some of its stakes in Norsk Sea oil fields.

Milan

Dull trading with no fresh factors to stimulate the market saw share prices close lower in thin volume. The MIB share index closed 1.13 per cent down on the day at 963.

Hong Kong

In dull trading, share prices closed barely changed. The Hang Seng index fell 6.79 points to 1,133.

Frankfurt

Strong buying interest in Siemens, mainly from abroad, fuelled a general rise and German shares closed higher.

Canada

Falling golds and energy issues lead declining Toronto stocks to a slight loss in quiet trading at mid-session. The composite index, which had dropped about 5 points in the earlier trading, fell 2.30 to 374.10 as declining stocks outnumbered those showing gains by 284 to 237 on light turnover of 9m shares.

Australia

After breaking through a new post-crash high earlier in the session, the market closed sharply higher. The all-ordinaries index rose 22.2 points to 1577.5. It peaked at 1540.3 - the highest level since October 23, when it was 1528. Since last Friday's close the all-ordinaries index has jumped 61.3 points.

Canada (3 pm)

Table of Canadian stock market data.

ASIA

Table of Asian stock market data.

FRANCE

Table of French stock market data.

GERMANY (continued)

Table of German stock market data.

NETHERLANDS (continued)

Table of Dutch stock market data.

IRELAND

Table of Irish stock market data.

ITALY

Table of Italian stock market data.

NETHERLANDS

Table of Dutch stock market data.

SPAIN

Table of Spanish stock market data.

SWEDEN

Table of Swedish stock market data.

SOUTH AFRICA

Table of South African stock market data.

AUSTRALIA (continued)

Table of Australian stock market data.

INDICES

NEW YORK

Table of New York indices including Dow Jones and S&P 500.

NEW YORK ACTIVE STOCKS

Table of active New York stocks.

CANADA

Table of Canadian indices.

SWEDEN

Table of Swedish indices.

JAPAN

Table of Japanese indices.

HONG KONG

Table of Hong Kong indices.

NETHERLANDS

Table of Dutch indices.

IRELAND

Table of Irish indices.

FRANCE

Table of French indices.

Notes and disclaimers regarding the data provided in the tables.

INTERNATIONAL COMPANIES AND FINANCE

Toronto Dominion Bank shows growth

By Robert Gibbons in Montreal

TORONTO DOMINION Bank Canada's fifth largest chartered bank, has reported a 26 per cent gain in second-quarter profits to C\$170.4m (US\$137.4m).

For the past two years the most profitable of the Canadian banks, TD posted first-half net profits of C\$316.8m or C\$2.03 a share, up 7 per cent from C\$297.4m or C\$1.92 a share in the same period a year earlier.

Provisions for third world loans will be raised from 42 per cent to 45 per cent by the end of this year, requiring an increase in provisions of C\$122m.

National Bank of Canada, the country's sixth largest, registered first-half net profits of C\$91.2m or 74 cents a share, against C\$120.9m or C\$1.06. The bank lost a C\$98.3m bond trading loss in the first quarter.

Second-quarter earnings were C\$56.4m or 46 cents a share against C\$56.7m or 45 cents. Interest income was strong due to good commercial lending and mortgage business.

Carter Holt slips
CARTER HOLT Harvey, a New Zealand forestry and fishing company with extensive interests in Chile, showed a 6.9 per cent fall in net profits to NZ\$91.4m (US\$64m), in the what it described as a difficult year to March.

Sales totalled NZ\$1.35bn against NZ\$1.32bn. The results included a tax credit of NZ\$23.8m against a charge of NZ\$17.6m and excluded extraordinary credits of NZ\$15.3m against NZ\$69.8m.

Winterthur acquires Intercontinentale from Italy's Gemina

BY ALAN FRIEDMAN IN MILAN AND JOHN WICKS IN ZURICH

GEMINA, the Milan-based holding company whose biggest shareholder is the Fiat Group, is to sell its Intercontinentale insurance subsidiary to Winterthur, the Swiss insurance company.

The exact price being paid is not known, but Gemina said yesterday that Intercontinentale would be valued at around L5,000m (€935m). This compares with the L5,500m which Gemina paid last year to acquire Intercontinentale.

Intercontinentale owns 93.2 per cent of Venta Assicurazioni, the Padua-based company which in turn holds 100 per cent of the life-insurance group Padova.

Investor group expected to buy Eureka Federal

BY LOUISE KEHOE IN SAN FRANCISCO

AN INVESTMENT group headed by a former Bank of America executive is expected to acquire Eureka Federal Savings, the largest of 17 financially troubled California savings and loan (S&L) organizations currently under the control of Federal regulators.

Mr Danny Wall, chairman of the Federal Home Loan Bank Board, alluded to the deal in testimony before the US Senate Banking Committee on Thursday, but did not name the S&L.

Amax in \$68m acquisition

reserves and 9.57m barrels of oil and natural gas liquids, having an aggregate energy equivalent of 22.8m barrels of oil.

AMAX, the US natural resources group, is to pay about \$68.5m for the conventional oil and gas properties of Kaneb Energy Partners and Kaneb Operating Company, writes Kenneth Gooding, Mining Correspondent.

Total proven and probable reserves being acquired are 79.2bn cu ft of natural gas and 9.57m barrels of oil and natural gas liquids, having an aggregate energy equivalent of 22.8m barrels of oil.

JAL takes stake in Hawaiian Airlines

JAPAN AIR LINES, the country's flagship international airline, is to buy 20 per cent of Hawaiian Airlines, a US company, in order to expand its network of Pacific holiday routes.

JAL is paying about \$30m for its stake in what is said to be only the second-ever purchase of a strategic stake in a US airline by a foreign company.

Hawaiian operates flights connecting outlying Hawaiian islands to Honolulu, which will complement JAL's existing service from Japan to Honolulu.

Also, JAL will be able to make use of Hawaiian's routes between Hawaii and the US West Coast to develop a tourist package combining Hawaii and California.

JAPAN'S three long-term credit banks have increased profits steadily, mainly by taking advantage of falling interest rates to lower their funding costs.

Industrial Bank of Japan, Long-Term Credit Bank of Japan, and Nippon Credit Bank, all reporting for the year ending in March, also cited increased fee-income, a growing return from expanding overseas operations, and profits from sales of securities holdings.

JAPAN'S LONG-TERM CREDIT BANKS table with columns for Revenue, Pre-tax profit, and Net profit for Ybn and %.

JAPAN'S BIG five steelmakers surged back into profit last year after suffering huge losses in 1986-87. They all expect further progress in the current year and are hoping to restore their dividends to pre-1986 Y5 per share levels.

JAPANESE STEELMAKERS table with columns for Sales, % change, Pre-tax profit, and Previous loss.

Steelmakers surge back into profit

JAPAN'S BIG five steelmakers surged back into profit last year after suffering huge losses in 1986-87.

The recovery occurred against the background of large scale rationalisation efforts made following the rise of the yen in 1986, and unexpectedly buoyant demand and prices, especially on construction steels in the domestic market.

For some of the companies, the profit turnaround was more dramatic than the figures suggest, as last year's losses were reduced by sales of assets, especially securities.

According to one estimate, the five companies combined achieved a real turnaround of Y500bn to a combined pre-tax profit, excluding financial items, of Y100bn.

Nippon Steel, NKK and Kobe all suffered slight declines in sales because of soft prices in rolled steel while the others had slight sales increases.

Kobe Steel, the smallest of the big five, was the only one to still be in loss at the pre-tax level, excluding financial gains. Its loss on this basis was Y5m.

At the companies expect further improvement in profits in the current year.

Nippon Steel, the sixth largest Japanese steelmaker and stainless steel specialist, said its pre-tax profit recovered to Y35.5bn in the year to March 31 from only Y8.6bn in the previous year.

It is forecasting another sharp rise in pre-tax profits this year to Y45bn.

Booming domestic sector boosts builders

LEADING Japanese construction companies have all reported substantial increases in profits in the year to March, thanks mainly to the booming domestic market.

The Japanese Government boosted its public works budget by 15 per cent to Y7,200bn last year and plans to spend a similar amount during the current year.

Ohbayashi reported pre-tax profit of Y24.8bn, up 13 per cent. Sales, however, fell 4 per cent to Y820.3bn.

At Shimizu, pre-tax profit was up 37.4 per cent to Y26.9bn. New orders received were up 13.2 per cent to Y1,205.9bn.

Profit forecasts are strong. Domestic engineering and construction markets were both strong. New orders rose 9.2 per cent to Y321.8bn, although the directors have raised the dividend by Y1 per share to Y11.50.

The company attributed the advance to brisk sales in its housing division, a good performance from its tourist industry division and increased profits from investments.

Domestic engineering and construction markets were both strong. New orders rose 9.2 per cent to Y321.8bn, although the directors have raised the dividend by Y1 per share to Y11.50.

Domestic engineering and construction markets were both strong. New orders rose 9.2 per cent to Y321.8bn, although the directors have raised the dividend by Y1 per share to Y11.50.

Domestic engineering and construction markets were both strong. New orders rose 9.2 per cent to Y321.8bn, although the directors have raised the dividend by Y1 per share to Y11.50.

News of the settlement between Falconbridge, the Canadian group, and the Dominican Government resulted in a \$950 fall to \$15,500 a tonne in the London Metal Exchange cash price yesterday.

With stock levels already low and demand from the stainless steel industry unexpectedly strong, the blocking of supplies from Falconbridge Dominicana, which normally accounts for around 5 per cent of the world's nickel, had driven the metal's price to previously undreamed-of levels.

At the beginning of February the LME cash nickel price was already high at around \$8,000 a tonne. Within six weeks, however, it had touched \$23,000 a tonne - the highest price ever paid on the LME for a base metal.

World Commodities Prices

WORLD COMMODITIES PRICES table with columns for Commodity, Price, and % change.

US Markets

US MARKETS table with columns for Commodity, Price, and % change.

Week in the Markets

AS ONE door opens another one threatens to close - that seems to be general view in the world nickel market at present.

Chicago

SOYBEANS 5,000 bu. cont'd. Close Previous High/Low

New York

GOLD 100 troy oz. \$/troy oz. Close Previous High/Low

REUTERS (Base: September 18 1931 = 100)

REUTERS table with columns for Index, Value, and % change.

INDEXES

INDEXES table with columns for Index, Value, and % change.

LONDON STOCK EXCHANGE

DEALINGS

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

12% US Cap Lm Stk 2010 - 212K (20/88)
12% US Cap Lm Stk 20007 - 215K (20/88)

UK Public Boards
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Foreign Stocks, Bonds, etc (coupons payable in London)
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Registered Housing Associations
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Commercial, Industrial, etc
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Sterling Issues by Overseas Borrowers
No. of bargains included
American Express 12 1/2% US Lm Stk 2000 - 210K (20/88)

Banking and Discount Companies
No. of bargains included
Barclays Bank PLC 27 1/2% US Cap Lm Stk 2010 - 212K (20/88)

UK Public Boards (continued)
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

NTL Information Technology PLC Ord 10p - 40
Bancassurance PLC 5% Cum Div Prt E1 - 63 (20/88)

Breweries and Distillers
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Registered Housing Associations (continued)
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Commercial, Industrial, etc (continued)
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Sterling Issues by Overseas Borrowers (continued)
American Express 12 1/2% US Lm Stk 2000 - 210K (20/88)

NTL Information Technology PLC Ord 10p - 40
Bancassurance PLC 5% Cum Div Prt E1 - 63 (20/88)

Breweries and Distillers (continued)
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Registered Housing Associations (continued)
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Commercial, Industrial, etc (continued)
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Sterling Issues by Overseas Borrowers (continued)
American Express 12 1/2% US Lm Stk 2000 - 210K (20/88)

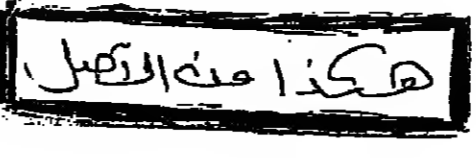
NTL Information Technology PLC Ord 10p - 40
Bancassurance PLC 5% Cum Div Prt E1 - 63 (20/88)

Breweries and Distillers (continued)
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Registered Housing Associations (continued)
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Commercial, Industrial, etc (continued)
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Sterling Issues by Overseas Borrowers (continued)
American Express 12 1/2% US Lm Stk 2000 - 210K (20/88)



London & Scottish Marine Oil PLC New 5% Cum Div Prt E1 - 114 (20/88)

Property
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Insurance
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Investment Trusts
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

The Third Market Appendix
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Rule 535 (4) (a)
Bargains marked in securities where...

Applications granted for specific bargains listed as follows...

Water Works
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Shipping
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Utilities
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Mines - South African
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Mines - Miscellaneous
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

Financial Trusts, Land, etc
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

North Rhine Westphalia
The Financial Times proposes to publish the survey on...

June 29th 1988
For a full editorial, synopsis and advertisement details, please contact...

write to him at:
London Stock Exchange
15 Cannon Street
London EC4A 3DF

or if in Germany please contact:
Birgit Schilke
Financial Times (Germany)
Advertising Ltd
Guiltenstrasse 54
D-6000 Frankfurt am Main

USM Appendix
No. of bargains included
Agricultural Mortgage Corp PLC 25% Deb 88/90 - 217 (20/88)

FINANCIAL TIMES
LONDON'S BUSINESS NEWSPAPER

CURRENCIES AND MONEY

LONDON STOCK EXCHANGE

Cadbury activity dominates thin markets

FOREIGN EXCHANGES

Dollar asserts its strength

THE THOUGHT of a rise in the US discount rate provided sufficient interest in the US dollar to push it through resistance levels yesterday. Most traders were convinced that higher than expected GNP growth in the first quarter would ultimately lead to a tightening in US Federal policy.

A £125m visible deficit and a current account shortfall of \$525m, were both much in line with expectations and failed to provide any renewed stimulus for sterling.

The French franc managed to climb to a seven month high against the D-Mark, despite the quiet conditions. In Paris the D-Mark slipped to FF2,989.4 from FF3,574.8 on Thursday. Traders could find no immediate reason behind the continued improvement, and dismissed the pending general election as a market factor.

The D-Mark's misery was compounded by further selling in Frankfurt. Higher US interest rates encouraged investors to switch some of their portfolio out of D-Marks and into dollars ahead of the long weekend.

FINANCIAL TIMES STOCK INDICES table with columns for Government Secs, Fixed Interest, Ordinary, Gold Mines, Ord. Div. Yield, Earnings Yield, P/E Ratio, SEAG, Empty Turnover, Empty Bargains, Shares Traded, and various indices for 1988 and 1987.

ment on the fourth quarter figures announced Thursday. Analysts were buoyant regarding forecasts for the current year with County NatWest going for £20m, Hoare Govett £18m and BZW for £15m.

£ IN NEW YORK

Table with columns for May 27, Latest, Previous Close, and values for 5 Year, 1 Month, 3 Month, 12 Month.

POUND SPOT - FORWARD AGAINST THE POUND

Table with columns for May 27, Day's spread, Close, One month, % Chg, Three months, % Chg, and values for US, Canada, Netherlands, Belgium, Denmark, West Germany, Portugal, Spain, Italy, Greece, Norway, Sweden, Switzerland, Japan, and Australia.

STERLING INDEX

Table with columns for May 27, Previous, and values for 5.00, 10.00, 15.00, 20.00, 25.00, 30.00, 35.00, 40.00.

DOLLAR SPOT - FORWARD AGAINST THE DOLLAR

Table with columns for May 27, Day's spread, Close, One month, % Chg, Three months, % Chg, and values for UK, Canada, Netherlands, Belgium, Denmark, West Germany, Portugal, Spain, Italy, Greece, Norway, Sweden, Switzerland, Japan, and Australia.

CURRENCY RATES

Table with columns for May 27, Bank, Spot, Forward, and values for Sterling, US Dollar, Canadian Dollar, Australian Dollar, etc.

EURO-CURRENCY INTEREST RATES

Table with columns for May 27, Short term, 7 days notice, One month, Three months, Six months, One year, and values for Sterling, US Dollar, etc.

CURRENCY MOVEMENTS

Table with columns for May 27, Bank of England, Monetary Change, and values for Sterling, US Dollar, etc.

OTHER CURRENCIES

Table with columns for May 27, £, and values for Argentina, Australia, Brazil, Canada, etc.

EXCHANGE CROSS RATES

Table with columns for £, S, DM, Yen, F.Fr., S.Fr., H.Fr., Lit., C.S., S.Fr., and values for DM, Yen, F.Fr., S.Fr., H.Fr., Lit., C.S., S.Fr.

MONEY MARKETS

UK INTEREST rates were slightly firmer in the London money market yesterday. Trading was rather lacklustre ahead of the long weekend, and there was little incentive derived from UK trade figures for April. These were much in line with expectations, and left traders reluctant to open fresh positions ahead of the weekend.

A slightly more relaxed attitude over the week was highlighted by a modest reduction in the average rate of discount at the weekly Treasury bill tender. This fell to 7.1506 p.c. from 7.1613 p.c.

FT LONDON INTERBANK FIXING

Table with columns for 3 months US dollars, 6 months US Dollars, and values for DM 7%, after 7%, DM 7%, after 7%.

MONEY RATES

Table with columns for NEW YORK (Linchments), Treasury Bills and Bonds, and values for one month, two months, three months, six months, one year.

FACTORS AFFECTING THE MARKET

There was also a rise in the note circulation of £320m. These were partly offset by Exchequer transactions, which added £225m, and banks' balances brought forward \$45m above target.

LONDON MONEY RATES

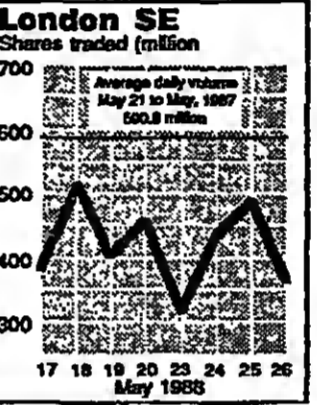
Table with columns for May 27, Overnight, 7 days notice, One month, Three months, Six months, One year, and values for Interbank Offer, Interbank Bid, etc.

But they can't because the pound is still too strong," was the view of one of the major US banks trading in London.

The brief fall in equities reflected nothing more than marking down operations by the marketmakers, who soon found that investors were not interested in the blue chips at any price. Even fund managers have been concentrating their attention on the Rowntree and Cadbury situations, since these have offered the best opportunities for turning a trading profit over the past fortnight.

The FT-SE 100 index closed 1.6 off at 1763.7, after being nearly 100 points in the downside throughout. The index has gained 13.4 over the first week of the account, but this largely reflects the gains in Rowntree and Cadbury, both constituents of the index.

The bond market continued to focus on domestic considerations, and appeared undisturbed by the possibility of an imminent rise in US Federal discount rate. The dilemma of the UK authorities remains unchanged despite the April trade deficit, according to Gilts analysts. "The authorities would like to raise interest rates,



LONDON TRADED OPTIONS

Table with columns for Option, CALLS, PUTS, and values for Allied Lyons, Birk. Airways, B.N. Comm., etc.

LONDON TRADED OPTIONS

Table with columns for Option, CALLS, PUTS, and values for LASMO, P. & O., Pilkington, etc.

TRADITIONAL OPTIONS

Table with columns for Option, CALLS, PUTS, and values for B.N. Comm., B.N. Comm., etc.

Business in other oil and gas issues was pitifully thin with exceptions. Dealers reported keen interest in British Gas which edged up a penny to 167 1/4 on turnover of 6.2m shares ahead of the preliminary figures expected on June 16. BZW and Prudential - Bache are both forecasting profits of £800m for Gas compared with last time's £684m.

Turnover in Gas yesterday included a single deal of 2.5m at 167p. There were reports of US selling pressure in Shell where the shares dipped 4 to 1025p.

Second-line oils were barely traded but Premier caught the eye and edged up to 63 1/2 with turnover of 1.2m shares ahead of the preliminary figures expected on June 16. BZW and Prudential - Bache are both forecasting profits of £800m for Gas compared with last time's £684m.

NEW HIGHS AND LOWS FOR 1988

Table with columns for NEW HIGHS AND LOWS FOR 1988, and values for various companies like BIRNIE PUMPS, etc.

meanwhile, Hazlewood Food dipped 6 to 22p on profit-taking after the 82 p cent earnings jump revealed on Thursday.

Business in other oil and gas issues was pitifully thin with exceptions. Dealers reported keen interest in British Gas which edged up a penny to 167 1/4 on turnover of 6.2m shares ahead of the preliminary figures expected on June 16. BZW and Prudential - Bache are both forecasting profits of £800m for Gas compared with last time's £684m.

Turnover in Gas yesterday included a single deal of 2.5m at 167p. There were reports of US selling pressure in Shell where the shares dipped 4 to 1025p.

NEW HIGHS AND LOWS FOR 1988

Table with columns for NEW HIGHS AND LOWS FOR 1988, and values for various companies like BIRNIE PUMPS, etc.

FT UNIT TRUST INFORMATION SERVICE

Handwritten text in a box at the top center of the page.

Main table containing unit trust information, organized into columns for various trust providers and their respective funds. Includes sections for 'OTHER UK UNIT TRUSTS' and 'INSURANCES'.

OTHER UK UNIT TRUSTS

INSURANCES

Continued on next page

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as Abbey Unit Trust, Aetna Unit Trust, and others, including their managers and performance data.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

LEADERS AND LAGGARDS

Table showing percentage changes since December 31, 1987, for various categories like Property, Consumer Goods, and others.

RISES AND FALLS

Table showing rises and falls for various categories like British Funds, Corporations, and others.

BANK RETURN

Table showing banking department liabilities and assets, including public deposits and government securities.

Care of The Environment. The Financial Times proposes to publish this survey on: 22nd July 1988. For a full editorial synopsis and advertisement details, please contact: S.P. Dunbar-Johnson on 01-248 8000 ext 4148.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Table listing unit trusts under the heading 'Authorized Unit Trusts', including details like name, manager, and dates.

Handwritten signature or mark at the bottom center of the page.

FT UNIT TRUST INFORMATION SERVICE

LONDON SHARE SERVICE

Handwritten text in a box at the top center of the page.

Table of FT Unit Trust Information Service, listing various unit trusts with columns for Name, Investment, and Performance.

Table of London Share Service, including sections for British Funds, Foreign Bonds & Rails, and Americans, with columns for Name, Price, and Yield.

Table of Money Market Trust Funds and Bank Accounts, listing various financial products and their details.

LONDON SHARE SERVICE

LEISURE - Cont'd

Table of stock prices for Leisure sector including Leisure Group, Leisure World, and Leisure Leisure.

PAPER, PRINTING, ADVERTISING - Cont'd

Table of stock prices for Paper, Printing, Advertising sector including Newsprint, Printing, Advertising.

TEXTILES - Cont'd

Table of stock prices for Textiles sector including Textiles, Textiles, Textiles.

TRUSTS, FINANCE, LAND - Cont'd

Table of stock prices for Trusts, Finance, Land sector including Trusts, Finance, Land.

OIL AND GAS - Cont'd

Table of stock prices for Oil and Gas sector including Oil, Gas, Oil and Gas.

MINES - Cont'd

Table of stock prices for Mines sector including Mines, Mines, Mines.

PROPERTY

Table of stock prices for Property sector including Property, Property, Property.

TOBACCO

Table of stock prices for Tobacco sector including Tobacco, Tobacco, Tobacco.

TRUSTS, FINANCE, LAND

Table of stock prices for Trusts, Finance, Land sector including Trusts, Finance, Land.

OVERSEAS TRADERS

Table of stock prices for Overseas Traders sector including Overseas Traders, Overseas Traders, Overseas Traders.

PLANTATIONS

Table of stock prices for Plantations sector including Plantations, Plantations, Plantations.

THIRD MARKET

Table of stock prices for Third Market sector including Third Market, Third Market, Third Market.

MOTORS, AIRCRAFT TRADES

Table of stock prices for Motors, Aircraft Trades sector including Motors, Aircraft Trades, Motors, Aircraft Trades.

NEWSPAPERS, PUBLISHERS

Table of stock prices for Newspapers, Publishers sector including Newspapers, Publishers, Newspapers, Publishers.

PAPER, PRINTING, ADVERTISING

Table of stock prices for Paper, Printing, Advertising sector including Paper, Printing, Advertising, Paper, Printing, Advertising.

SHOES AND LEATHER

Table of stock prices for Shoes and Leather sector including Shoes and Leather, Shoes and Leather, Shoes and Leather.

SOUTH AFRICANS

Table of stock prices for South Africans sector including South Africans, South Africans, South Africans.

SHIPPING

Table of stock prices for Shipping sector including Shipping, Shipping, Shipping.

TEXTILES

Table of stock prices for Textiles sector including Textiles, Textiles, Textiles.

OIL AND GAS

Table of stock prices for Oil and Gas sector including Oil and Gas, Oil and Gas, Oil and Gas.

MINES

Table of stock prices for Mines sector including Mines, Mines, Mines.

REGIONAL & IRISH STOCKS

Table of stock prices for Regional & Irish Stocks sector including Regional & Irish Stocks, Regional & Irish Stocks, Regional & Irish Stocks.

TRADITIONAL OPTIONS

Table of stock prices for Traditional Options sector including Traditional Options, Traditional Options, Traditional Options.

PROPERTY

Table of stock prices for Property sector including Property, Property, Property.

A selection of Exchange traded options is given on the Stock Exchange...

This service is available to every company in the UK on a 24-hour basis...

LONDON SHARE SERVICE

AMERICANS - Contd

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like American Express, American International, American Overseas.

CANADIANS

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like Canadian National, Canadian Pacific, Canadian Tire.

BANKS, HP & LEASING

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like Bank of America, Citicorp, First Interstate.

BEERS, WINES & SPIRITS

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like Anheuser-Busch, Heineken, Carlsberg.

BUILDING, TIMBER, ROADS

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like Bechtel, Fluor Daniel, Parsons Brinckerhoff.

BUILDING, TIMBER, ROADS - Contd

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like Bovis Lend Lease, Hochtief, Skanska.

CHEMICALS, PLASTICS

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like BASF, ICI, DuPont.

DRAPERY AND STORES

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like Debenhams, Next, Primark.

BUILDING, TIMBER, ROADS

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like Bovis Lend Lease, Hochtief, Skanska.

DRAPERY AND STORES - Contd

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like Debenhams, Next, Primark.

ELECTRICALS

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like British Telecom, BT Group, BT Cellnet.

DRAPERY AND STORES

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like Debenhams, Next, Primark.

DRAPERY AND STORES

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like Debenhams, Next, Primark.

ENGINEERING

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like BAE Systems, British Aerospace, Rolls Royce.

ENGINEERING - Contd

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like BAE Systems, British Aerospace, Rolls Royce.

ENGINEERING

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like BAE Systems, British Aerospace, Rolls Royce.

ENGINEERING

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like BAE Systems, British Aerospace, Rolls Royce.

ENGINEERING

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like BAE Systems, British Aerospace, Rolls Royce.

ENGINEERING

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like BAE Systems, British Aerospace, Rolls Royce.

INDUSTRIALS (Misc.) - Contd

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like British Petroleum, Shell, Esso.

INDUSTRIALS (Misc.)

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like British Petroleum, Shell, Esso.

INDUSTRIALS (Misc.)

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like British Petroleum, Shell, Esso.

INDUSTRIALS (Misc.)

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like British Petroleum, Shell, Esso.

INDUSTRIALS (Misc.)

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like British Petroleum, Shell, Esso.

INDUSTRIALS (Misc.) - Contd

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like British Petroleum, Shell, Esso.

INDUSTRIALS (Misc.)

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like British Petroleum, Shell, Esso.

INDUSTRIALS (Misc.)

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like British Petroleum, Shell, Esso.

INDUSTRIALS (Misc.)

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like British Petroleum, Shell, Esso.

INSURANCES

Table with columns: Stock, Price, % Chg, Div, Yield, P/E. Includes companies like Aviva, Allianz, AXA.

Handwritten signature or stamp at the bottom center of the page.

WEEKEND FT

Weekend May 28/May 29 1988

MARKETS • FINANCE & THE FAMILY • PROPERTY • TRAVEL • MOTORING • DIVERSIONS • HOW TO SPEND IT • BOOKS • ARTS • TV

Brighton Rock revisited

At the start of Brighton Rock, Fred Hale leans against a rail near Palace Pier and realises that they mean to murder him.

Leaning against a rail near Palace Pier I see that Greene's Brighton is still recognisable, though it no longer resembles a "pale Victorian watercolour."

Hiding from the wind, a bare-chested youth and his bare-foot girl lie sprawled on a beach towel. They have a bottle of gin, a bottle of sherry, two plastic cups, a tin of tobacco, a crumpled-up newspaper.

There is no sign of Pinkie, the boy psychopomp, or of anyone resembling him, but their it strikes me: if Pinkie were alive and living in Brighton, he would be running an antique shop.

From halfway down the pier you get a ringside view of the rubbishing of Brighton, concentrated as it is between the downs and the sea.

Amid the teased splendour of the Grand Hotel, Brighton's finest, I can see no one like Colleen, though unlike Graham Greene I am not allowed to improve.

Turning back into the crowd, Fred Hale enters a pub and encounters Jola Arnold, who isn't old - just slightly, surely for once - but she is only a little older.

At the police station, Pinkie is questioned by an inspector who tells him: "The races start next week, and I don't want to have any big scale mob fighting in Brighton."

At the start of June an international seed conference will fill the Grand for four days; then it's Naiglo.



It is exactly 50 years since Pinkie, the boy gangster, strolled among the Whitsun bank holiday crowds of Graham Greene's novel, Brighton Rock, plotting murder. Can Greene's Brighton still be recognised? Can Pinkie still be glimpsed? asks Michael Thompson-Noel

Employment, saunas and escorts, how much did you say, the leather crowd in Kemp Town, so I said to him, tattoos and candyfloss, good old ratty Brighton, a bit of slap and tickle, harmless British fun.

In the great lounge of the Cosmopolitan Hotel, Pinkie waits for Colleen, a far superior gangster. "Young men kept on arriving in huge motorcars accompanied by small tinted creatures, who rang like expensive glass when they were touched but who conveyed the impression of being as sharp and tough as tin."

Amid the teased splendour of the Grand Hotel, Brighton's finest, I can see no one like Colleen, though unlike Graham Greene I am not allowed to improve. Bombed by the IRA in 1984, the Grand was reopened in 1986 after an £12m refurbishment and will welcome the Conservative Party back again this October.

At the police station, Pinkie is questioned by an inspector who tells him: "The races start next week, and I don't want to have any big scale mob fighting in Brighton."

Brighton's director of tourism and resort services is William Burnett, a no-nonsense professional with a lifetime's work in public sector tourism, who tells me that Brighton is not, primarily, a seaside resort.

"Brighton has more equals about 250,000 people. Greater Brighton, from Newhaven in the east to Shoreham in the west, equals about 500,000, so first and foremost it is an urban conurbation. It is a thriving community that is open 365 days a year. It's not a Worthing, not an Eastbourne, not a part of the Costa del Mar. It doesn't shut, or have a season; it can be busier in January than July, being more dependent on conferences and exhibitions than on mainstream tourism. There is a very healthy conference diary through to about 1993.

"It's youthful: the University of Sussex and Brighton Polytechnic account for about 10,000 students. It is also London-by-the-sea: your yuppies and East Enders. All told, it gets about 3m visitors a year. But it's a quality resort. Brighton has only 6,000 bed spaces against 35,000 for Bourne-mouth, about 60,000 in Torbay, and God-only-knows in Blackpool. We're small and we're not cheap. It may be faded, but that is part of its charm: its cosmopolitan taintness."

"Litter? Filth? The council certainly recognises that Brighton is not as clean as it should be, and is spending considerable

sums. It is looking at by-laws which would make owners of property responsible for the cleanliness of pavements outside their houses."

"Pinkie would have loved this, of course - would have had a racket going, clearing up filth and then dumping it on pavements. But there is no sign of him in Old Steine - just corporation tulips and some Safe Sex leaflets, swirling in the wind."

At the police station, Pinkie is questioned by an inspector who tells him: "The races start next week, and I don't want to have any big scale mob fighting in Brighton. I don't mind you carrying each other up in a quiet way, I don't give a penny for your worthless skins, but when two mobs start scrapping people who matter may get hurt."

"Fifty years ago there were very few juvenile offenders, because adults kept children in their places. Violence? There's

a bit of a lull at present. Brighton today is less violent than 20 or 30 years ago. Fifty years ago crime was much more organised. Our last dust-up was with a nasty gang of teenagers over there in West Street but we took them out last summer, arresting 23 in one night.

"What is most noticeable is vandalism, actual damage to property. It's nothing to see a crowd of yobboes walking through the town at night smashing 10 or 12 windows."

"Protectionism? No, not really - Weapons? No, there isn't any wizard (Pinkie's favourite persuader). What we get are Stanley knives, or straightforward stabbers. They'll push a bloke into a doorway - Got any money? - No? - whoosh, in goes the knife. We get some large punches. There is an incredible number of prosthetics, always has been, though now it's called massage. And there are many homosexuals, some of whom tend to settle domestic arguments with knives."

"Antiques? Let us say that some of our dealers in Brighton are not pure in heart, but stolen gear is very hard to wash. Stuff can go from here to London and back twice in 24 hours and quadruple in price. There is a direct line to Amsterdam.

"By and large, though, the lid is still on crime. It's safe to go out at night. Crime is not rampant."

Back on Palace Pier, beyond the Peep Shows (A Night of Love, The Fun Dancer), Pinkie attempts to purchase a picture from a photographer's kiosk. Behind the man's head Pinkie can see "framed snapshots of King Edward VIII (Prince of Wales) in a yachting cap... Vesta Tilley signing autographs; Henry Irving muffled against the Channel winds; a nation's history."

"To burnish his image Brighton plays up its history, plays up its strengths. This is elementary marketing. But it is a town of facades. At a house on Grand Parade, Selma Montford, director of the Lewis Cohen Urban Studies Centre, tells me that what Brighton hasn't got are serious racial problems.

"But we've got everything else - high unemployment (certainly higher than the region), low wages, soaring housing costs and enormous poverty, much of it hidden. You can go into houses where there is not a stick of furniture, where the bannisters have been burnt for fuel and people live by candlelight. There is also a lot of genteel poverty: Dickensian hardship behind the Regency facade. Because it's a tourist town, social problems get brushed under the carpet. It's always been after a blue sky image."

As for the future, that is rising east of the town in the shape of the Brent Walker Brighton Marina Village which is set, says the brochure, "to be the most exceptional leisure and living environment in Europe... more than 800 homes... exacting standards... Gateway Superstore... international style hotel... encircled by courtyards... graceful piazzas and twinkling harbour lights... bistros and bars... a truly cosmopolitan ambience."

I sit in my car, reading this tripe. And then I see Pinkie, arguing with a foreman, gesticulating angrily. But of course I am mistaken. It is not him at all. These piazzas and lagoons are cloistered, hermetic, sealed for the rich, not Pinkie's class at all.

Up at the raccourse, Pinkie watches Black Boy win from Memento Mori and General Burryome. And then Colleen's men close in, with their cut-throat razors. "They made no attempt to come in and finish him... One of them leant forward to cut his cheek, and when he put up his hand to shield himself they slashed his knuckles again. He began to weep, as the four-thirty went by in a drum-beat of hooves beyond the rail."

As it is a fine day I breeze up to the course. Mist hides the town. The jockeys' silks fluff. There is a very small crowd. The grandstand looks like the set of a pre-war film. Men in red ties down large gins and Scotches. "We don't have any aggro," says Clifford Griggs, the jovial clerk of the course. "Maybe a pick-up, but no great incineration. Not like the North."

The bookies are lethargic. It is 4-1 the field. By gazing deep into the soul of a nine-year-old gelding - it wins very narrowly: what a wonderful old showman - I fessise a bundle of sweaty notes from a dim and ancient bookie who just might have been around when Pinkie got his cuts.

Back down the hill, back on Palace Pier, I buy a stick of rock, hued like a rainbow. "Brighton Rock," says the label. "Greenover Confy, Post Code SS1 2EJ. Ingredients: Sugar, glucose syrup, permitted flavouring and one or more of the following colours: E127, E102, E142, E122, E124, E110."

The Long View

Sweet returns for the gilded generation

LORD YOUNG'S decision on Wednesday to award through the City Takeover Bids for Rowntree mark a high point of the economic and political tide running throughout the 1980s in favour of the owners of capital and wealth.

Amid all the allegations about the Swiss mounting a bid predatory from behind their impregnable Alpine strongholds, it has become difficult to unravel who the real winners and losers are from the Government's open policy on mergers and acquisitions.

The latest group of losers are the directors and corporate executives now in danger of losing their empires and their positions. After Rowntree, next in the firing line for takeover or break-up are probably Cadbury-Schweppes and Alecton.

The political weakness of the Government's stance is the lack of public sympathy for the beneficiaries of its policy. These are the shareholders who, in the case of Rowntree, have seen a doubling in the value of their holdings as a result of takeover bids. On some estimates, takeover bids, actual, anticipated or threatened, have boosted total UK shareholder wealth by more than 15 per cent over the last five years.

It is difficult to feel enthusiastic about the enrichment of City fund managers interested only in taking their money and running, as they were described by opposition Parliamentary spokesman Wednesday. But the real beneficiaries of takeovers are the members of pension schemes and the policyholders of insurance companies, rather than City fund

Who are the real winners and losers of the past decade of shareholder power, booming asset prices and high interest rates? Clive Wolman argues that age, rather than class, is the key factor



managers, who have always shown ingenuity in securing generous incomes for themselves regardless of the rises or falls in the wealth of their clients.

Pensioners and pension scheme members are shielded from stock market fluctuations by so many financial buffers and layers of intermediaries that the outcome of the battle for Rowntree will have no discernible effect on their financial position.

The other reason for the lack of support for the Government's pro-shareholder policies is that they may only seem like just one more plank in a policy of redistributing income and wealth from poor to rich, or at least to those that have already been making high returns.

Over the last six years, investors and savers have never had it so good. With a typical portfolio of UK shares, you would have made real capital gains of 111 per cent since the start of the bull market in September 1981, after inflation for inflation and last October's stock market crash.

In the previous nine years, UK shareholders saw 60 per cent of the value of their assets in real terms wiped out.

House-owners have made gains almost as dramatic. And if you held Government securities or savings in a bank or building society, you would have enjoyed higher real rates of interest than in any other six-year period this century.

The Government's liberal policy on mergers and acquisitions has played a part in boosting the returns on capital and savings by shaking up corporate management and facilitating the redeployment of corporate assets. The increasing demand to borrow money and raise capital, particularly as a result of the relaxation of credit controls, and consistently over-optimistic forecasts for inflation have been the main other factors.

But to present government policy as effectively transferring income from the heavily indebted poor, increasingly dependent on consumer credit, and giving it to the highest income earners with their shares, houses and five-figure building society accounts is misleading. Statistics suggest that low income earners save as high a proportion of their incomes, directly and via pensions, as high income earners and, if anything, borrow a lower proportion of their incomes.

Advertisement for Gartmore Income Fund. Includes text: 'In these days of falling bank and building society deposit rates and high inflation nudging upwards, the farsighted investor should be aware of the long term value of unit trusts...' and a table showing annual net income and value of investment over 10 years.

CONTENTS
Finance: The gold price: boom or bust? IV
Travel: Tibet - the land of sorrow X
Gardening: Vulgarly at the Chelsea Show XVI
Books: The final years of Churchill XVII
Diversion: The life of Ezra Pound XVIII
How To Spend It: On dressing for Glyndebourne XIX

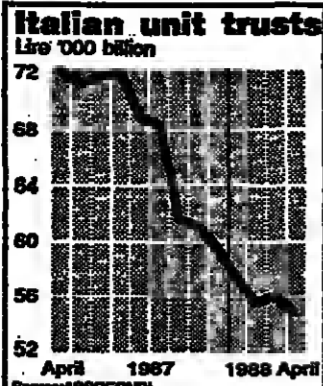
MARKETS

Crisis of confidence for Milan

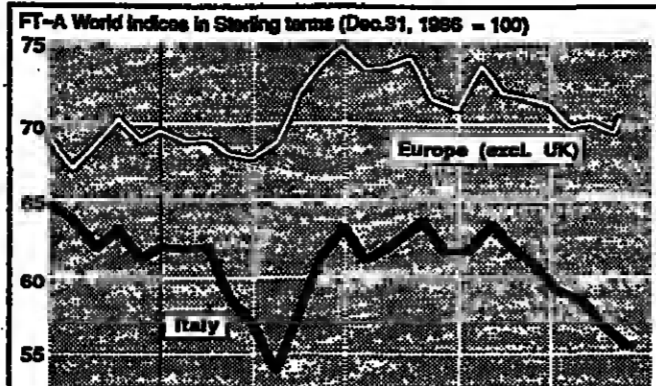
THE MILAN bourse, only two years ago the darling of many international fund managers, is today facing a serious identity crisis.

Foreign investors have abandoned the market, domestic unit trusts have been selling for the past nine months as individual savers redeem their certificates and the two biggest corporate share operations - the 1986 placing of Liby's Fiat stock and the 1988 restructuring of Montedison - may have benefited the companies in question, but they have had a disastrous impact on the market.

"All of this," says Attilio Ventura, one of Milan's senior stock brokers, "is the fruit of the last few years." What Ventura has in mind is the extraordinary trajec-



Whereas at the peak of May 1986 volumes totalled £300bn (£127.5bn) to £500bn a day, the average at present is a paltry £70bn to £100bn a day.



The Milan stock exchange, "have a culture problem. Our market is still based on short-term capital gains. We seem to be incapable of holding on to shares for medium-term returns."

services unit from Montedison to Bial Gardini's Ferruzzi group, has been attacked as riding roughshod over the interests of small shareholders. In February it sent share prices tumbling for a period of two weeks and triggered fears on the part of small shareholders that other big groups could engineer similar asset plays.

Even more deleterious has been the impact of the controversial restructuring scheme announced at the end of January by Montedison, the operation, which shifts a lucrative financial,

Alan Friedman

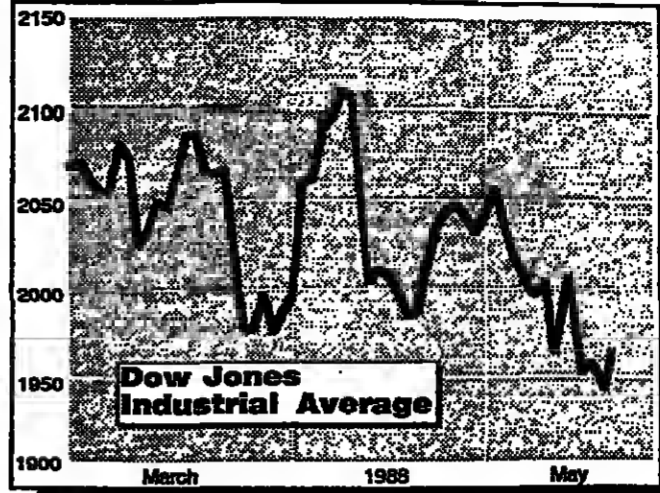
THANK GOD for Carl Icahn. As the Ghengis Khan of corporate raiders prepares to storm the citadel of the mighty fortress Texaco, the greatest prize in the glorious history of takeover warfare, even his staunchest and most bloodthirsty retainers are starting to lose their nerve.

Texaco's share price languishes 20 per cent below Icahn's \$60 a share bid level, as the ill-livered foot soldiers of the arbitrage brotherhood tremble at poison pills, state anti-takeover laws and protective tax covenants. There are even mutinous whispers about the Great Icahn's mysterious levitational powers. Could it be that the power of his will alone would not suffice to support \$14.5bn of debt financing?

Wall Street

Mr Icahn, of course, is not so easily deterred, which is just as well for brokers and traders on Wall Street, if not, perhaps, for Texaco's employees. Were it not for Mr Icahn's personal campaign against the world's fifth largest oil company, there would have been precious little for anyone to do this week in the stock market except for tax-related churning of a few utilities and high-yielding dividend stocks.

But Icahn's bid for Texaco (which most of the arbitrageurs expect him to withdraw over the weekend, once it is formally rejected by the company's board) has performed a greater service for the investment community than merely staying off the evil day when a few hundred more underworked stock traders are



If anyone can storm the fort, Icahn can

put out on the pavements of Wall Street. For the Icahn-Texaco battle could turn into one of the great symbolic milestones in the history of the Bull Market of Our Lifetime.

To see its true significance, let us cast our minds back to another financial epiphany which took place almost exactly a year ago. Today, that event has been almost forgotten, but at the time it seemed a portent of enormous moment. And in the future, when the Bull Market's history comes to be written, it will certainly merit more than a footnote in charting the amazing speculative psychology which finally spent itself in the October crash.

On June 23 last year, it will be remembered, the Dow Jones news service reported that David Herringer, a little-known fund manager from Cincinnati, acting on the instructions of "the prominent Stone and Eustis families" of that Ohio city, had made a bid worth \$7bn for the large midwestern retailing chain, Dayton Hudson.

Like Texaco today, Dayton Hudson had long been considered "in play" as a likely takeover candidate and there was thus a speculative premium in the company's share price. Nevertheless, within minutes of Herringer's announcement the company's stock price had jumped by 19 per cent, equivalent to almost \$1bn, even though the news agency had disclosed no details about the Stone and Eustis proposal,

least of all the likely source of financing for the \$7bn bid. Indeed, responding to a subsequent inquiry from a reporter, Herringer conceded that the financing for his offer was still "very debatable."

A few hours later, while Wall Street's analysts and arbitrageurs were still battling with their computers to generate updated estimates of Dayton Hudson's breakup value, the Dow Jones electronic ticker flashed up an even more unexpected follow-up announcement.

Herringer had been taken to Cincinnati's Good Samaritan hospital, suffering from "a nervous condition" and there had been no confirmation from the Stones and Eustises that he had made the bid on their behalf. The reason for this curious lack of support from Herringer's employers emerged later. It turned out that the Stones and Eustises, described as a prominent and wealthy clan not only by the Dow, but also by the many knowledgeable brokers who followed their financial fortunes on Wall Street, did not actually exist - at least not as far as anybody knew in Cincinnati.

The whole episode might then be meaningless, if entertaining, embarrassment, were it not for two mitigating factors. One was the fact that, within 48 hours of the phantom bid, Minnesota passed an anti-takeover law which has successfully protected

Dayton Hudson since then. The Minnesota law helped to set off the chain reaction of state legislation which culminated in the passage of the Delaware anti-takeover statute late last year. Since Delaware is the state of incorporation for more than 50 per cent of America's publicly listed companies, including Texaco, powerful after-effects from the Herringer case are still being felt today.

The second and even more enduring product of the Dayton Hudson affair were the famous last words that Herringer uttered shortly before he was taken to the Good Samaritan. Asked whether his bid had been just a hoax he replied: "I don't know. An offer is really an intangible thing. It's no more of a hoax than anything else."

It was clear enough at the time, but in retrospect, after the events of last October, it is indisputable - these words were the epitaph for the Bull Market of Our Lifetime.

What does this long historical digression have to do with the current state of the stock market, or even with the bid for Texaco from Icahn? The fact that Texaco's stock, which traded at \$49 1/2 yesterday lunchtime, is worth only 5 per cent more today than it was before Icahn announced his \$60 a share bid speaks volumes both about the state of investor psychology and the uncertain fundamentals in the stockmarket. For Icahn, whatever his faults may be, is certainly not a hoaxer. And the price he is suggesting for Texaco, whether he actually intends to pay it himself or not, is probably a realistic estimate of the giant oil company's underlying asset value.

Why then is the market so sceptical in a bear market, just as in a bull market, things are not always worth what they "ought" to be worth.

All the optimistic earnings projections and asset valuations in the world will not succeed in cheering up investors who are worried about high interest rates or imminent recession, or maybe a knock-out sequence of one blow after the other, just as no amount of cavilling about overvaluation and fundamentals was able to halt the bulls in their tracks last summer.

As the Icahn-Texaco struggle reveals, this is still very much a bear market - and before the market changes course, it is likely to require a full-scale collapse of confidence equal and opposite to the optimistic frenzy of last summer.

Table with 2 columns: Day and Index Value. Monday 1941.48 - 11.11, Tuesday 1942.23 + 21.08, Wednesday 1941.57 - 01.16, Thursday 1946.75 + 05.58

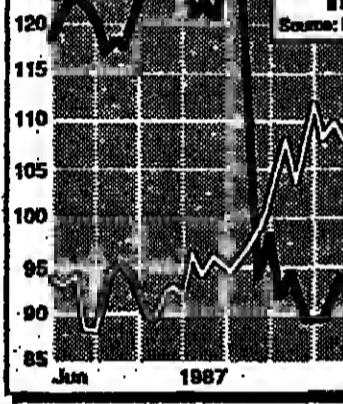
Anatole Kaletsky

Italy

Italy's share prices which saw the Milan bourse hurtling upwards between 1984 and 1986 as Italy reaped the benefits of industrial restructuring and fast economic growth. Between January 1984 and May 1986 the Milan share index leapt by 193 per cent.

The big boom brought \$m first-time small investors to the market, channelled nearly \$500m of liquidity into unit trusts, attracted numerous foreign players and resulted in unprecedented capital gains, sometimes up to 10 per cent a week. This Gatsby-like party came crashing to an end, as it was bound to, two years ago this week. Thus the Italian market was filtering long before last October's Black Monday hit the rest of the world.

In recent months trading volume has fallen off substantially.



Expert advice on the Stockmarket - free for 4 weeks.

Stockmarket conditions have changed radically since October 1987. You may be tempted to see only the uncertainty and become mesmerised into inactivity. But don't be! What is needed now is a different approach to investment portfolios.

With the help of IC Stockmarket Letter each week you can start to adjust your portfolio to the new circumstances. We'll show you how to act - when to move.

The institutional investors - the big pension funds and insurance companies - continue to have a huge inflow of funds to invest.

Their activity and decisions will determine which shares will outperform the stockmarket. To tune in to the way the institutions are thinking and acting - you need the help of the IC Stockmarket Letter. You can be sure that we will keep you informed. The IC Stockmarket Letter aims to keep its eyes and ears open on your behalf - looking for real opportunities. What's more, as part of Financial Times Magazine and sister publication to Investors Chronicle, we have strong City connections and enormous research resources which other tipsters cannot hope to match. We have 40 years' experience of fluctuating markets behind us! Each week we brief you on the

significance to the stockmarket of economic, financial and political developments round the world. We advise you on shares to buy, and to sell. We give you new recommendations each week, and update you regularly on previous ones.

You can be sure that our recommendations are the products of careful selection and assessment, backed by real knowledge and understanding. The IC Stockmarket Letter provides all this.

Yes, please enter my subscription to IC Stockmarket Letter at the special discount rate of £30 - saving £30 off the normal UK subscription rate of £10. I understand that I will receive 65 issues; the first 4 are free. After receiving my 4 free issues of IC Stockmarket Letter I can cancel. Any payment I make now will be refunded in full. If I choose to have you bill me, then cancel, I will owe nothing. I understand I will also receive your introductory guide to IC Stockmarket Letter and the Pocket Guide to the Stockmarket.

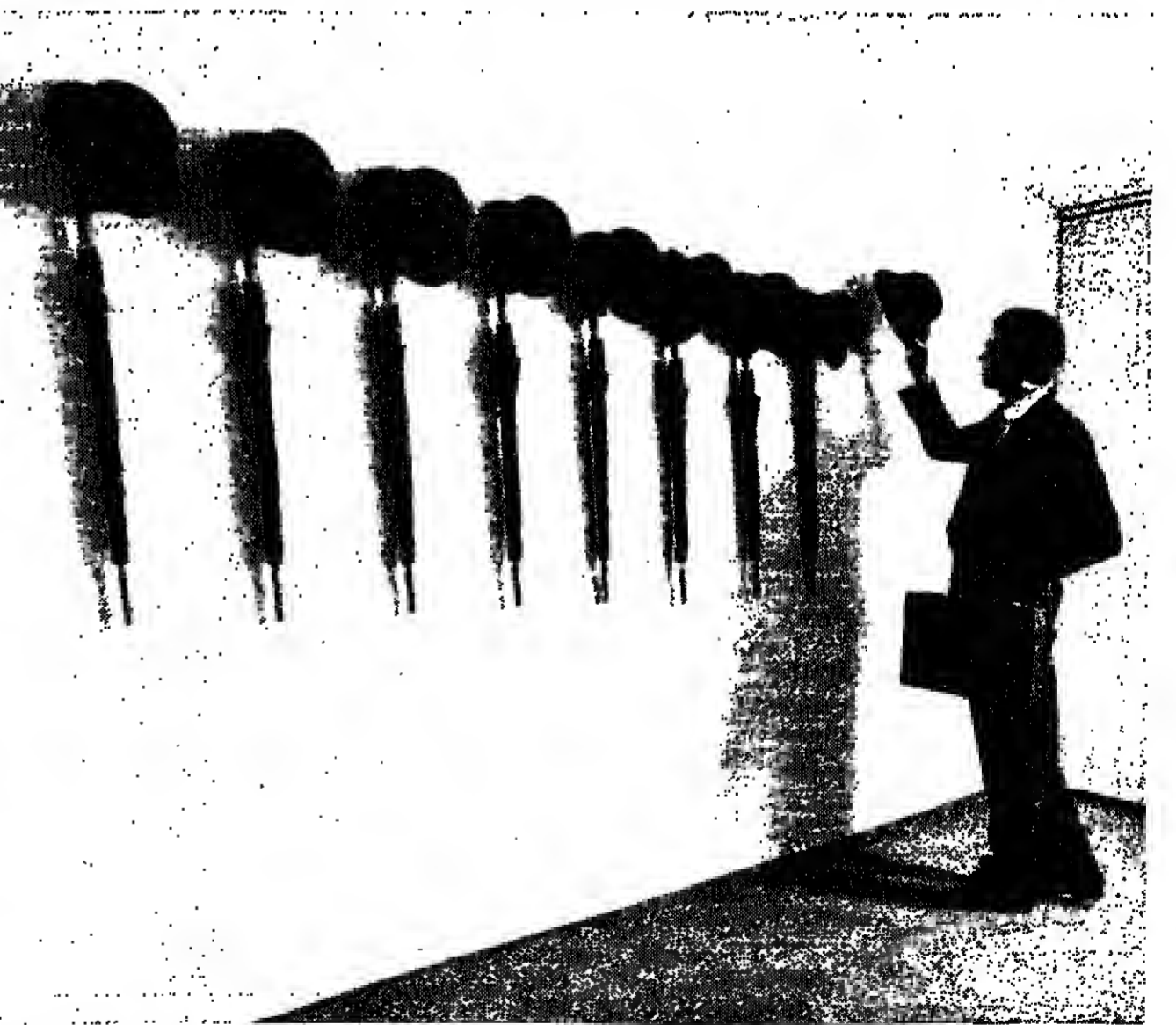
And does so at a discount, if you become a new subscriber now.

SAVE £30 You can save £30 on the full year's subscription rate when you apply within 7 days.

4 ISSUES FREE At a time like this, you don't want to make a big commitment. That's why we're saying, "try it free."

Subscription form with fields for Name, Address, Postcode, Signature, Date, and checkboxes for payment methods and business information.

Nine Partners You Can Depend On.



With us, you can reach out and contact the whole of Austria, directly. With 2,500 bank branches throughout the country, we have the customer contact and the direct access to Austrian companies you need. Which makes us your ideal partner for banking business in Austria.

Austria's Raiffeisen Banking Group advertisement listing various branches and their contact information, including Genossenschaftliche Zentralbank, Oberösterreichische Raiffeisen-Zentralbank, and Raiffeisenverband Vorarlberg.

MARKETS

Rowntree will make the Swiss pay

SOME CHOCOLATES in the Quality Street selection may be more to your taste than others, but you have to buy the whole box. With UK companies creating a "third British empire" through overseas acquisitions, they cannot expect protectionism at home.

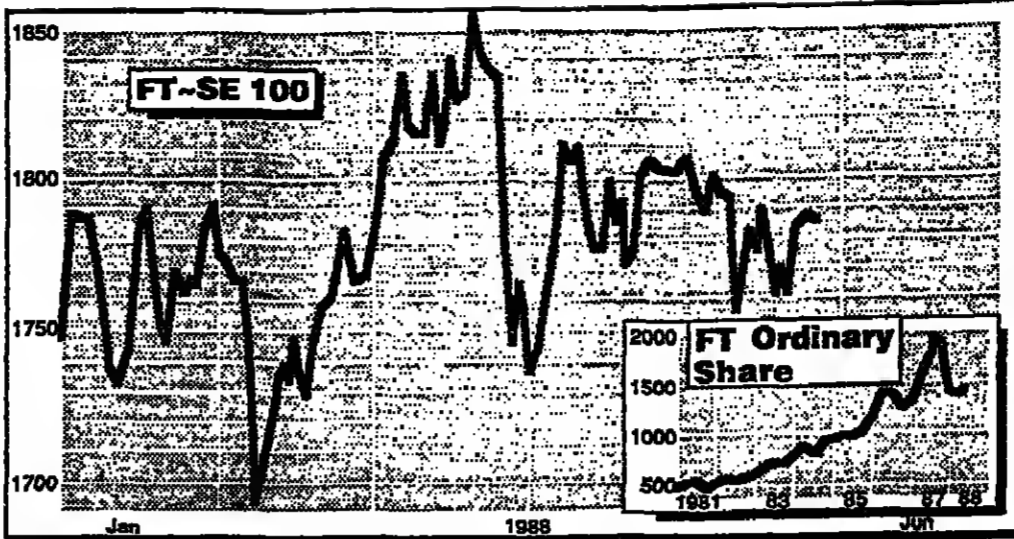
Removing the last political barrier against the two-pronged Swiss pursuit of Rowntree, Lord Young braved brickbats from all parties by committing the Government to a consistent line on cross-border takeovers.

London

The hubbub will rumble on, but the Trade and Industry Secretary's clearance of the bids for Rowntree shifted the battle for the future of the chocolate group back to the market and the negotiating pariahs of the City.

FT-SE 100 climbing back through 1,800 but little more. The US, as usual, plays a key role in these calculations. Warburg Securities expresses the problem succinctly: "US economic news is Catch 22: had trade figures hit the dollar and the equity market; improving trade figures hit the bond market, because of overheating fears, and the equity market suffers."

London is still tracking Wall Street more closely since mid-December - what happens there is mirrored here. The bond markets also reflect this relationship. With US yields firmly above 9 per cent and likely to move higher, there is little impetus to move further into gilts despite the strength of sterling.



had cost it nearly £400m so far - with nothing but potential future gains to show for it. After a revaluation of BCal's assets, BA ended up paying £250m for net liabilities of £10m before taking into account integration costs of £90m and a final-quarter loss of £32m. In spite of all this, BA increased its full-year pre-tax profits by 41 per cent to £228m - an operating result higher than any other airline in the world.

might have failed but defensive talents of a different sort now come into play. If Rowntree's days of independence are numbered, as even some of its employee-shareholders appear ready to concede, the main question becomes: at what price? As BCal's adviser, Goldman Sachs was able to achieve such a handsome price for an unprofitable company with net liabilities because it suspected how much value BA put on removing a competitor, and on keeping it out of other hands.

But how much do the Swiss, separately and collectively, want Rowntree? Already, some analysts are beginning to wonder if the Swiss are being carried away by brand mania. No one doubts that the market took Rowntree's product names for granted for far too long, but their value is finite and could actually deteriorate over time.

Clay Harris

COMPANY NEWS SUMMARY

TAKE-OVER BIDS AND MERGERS

Table with columns: Company, Value of bid, Market value, etc. Lists various companies and their financial details.

PRELIMINARY RESULTS

Table with columns: Company, Year, Pre-tax profit, etc. Lists preliminary financial results for various companies.

INTERIM STATEMENTS

Table with columns: Company, Month, Pre-tax profit, etc. Lists interim financial statements for various companies.

RIGHTS ISSUES

Amec is to raise £83m via a six-for-five rights issue of convertible preference shares at 100p.

OFFERS FOR SALE, PLACINGS AND INTRODUCTIONS

Domestic & General is to join the USM via a placing of 1.82m shares at 165p.

RESULTS DUE

Table with columns: Company, Announcement, etc. Lists companies with results due.

The very essence of USM success

SO, WAS IT worth it? Those endless months of preparation, the hefty charges incurred for the services of a fleet of professional advisers, the countless hours of management time away from the proper business of the company? And all for a USM quote? The verdict is not unambiguous.

Of a group of 141 companies canvassed recently, 82 per cent encountered significant post-floatation problems and 12 per cent went so far as to say these outweighed the benefits of being on the USM.

HIGHLIGHTS OF THE WEEK

Table with columns: FT Ord. Index, Price, Change on week, etc. Lists market highlights.

Junior Markets

whom - to hand over the reins plainly torments many a founder/ chief executive and one finding will give little cheer to those who are loath to go. After breaking down the 141 companies into highly successful, successful and less successful, based on performance over the past two years, it emerged that 23 per cent of chief executives of successful companies were recruited from outside the family or company, compared with only 9 per cent of less-successful companies.

Perhaps they would have saved themselves trouble had they made a switch in the run-up to the float. Almost all - 92 per cent - of the respondents undertook preparatory changes although only 12 per cent made major management adjustments.

Asked to rank the factors most important to their company's success, quality of employees was listed as essential by 69 per cent of respondents. Next in importance was marketing and sales skills, at 47 per cent, and a unique product or service (34 per cent).

Overall, USM companies were satisfied with their advisers, 89 per cent concluding that the advice they were given about the potential benefits of the USM was about right.

Some 62 per cent saw the USM route as a way to gain enhanced status - although, clearly, they were disappointed if they were the same 61 per cent referred to earlier as lamenting the public scrutiny and media interest that came with a quote.

As far as competition goes, the vast majority of companies see other UK businesses as their main competitors. Despite 1992 and the single European market approaching fast, only 6 per cent viewed EC imports as a major source of competition.

Finally, on the hourly question of whether to plump for the USM or go all-out for a full listing, almost half thought there were no significant advantages in a full listing over the USM.

Fiona Thompson

Storehouse set to disappoint

NEXT WEEK, shortened by Monday's bank holiday, will be a relatively quiet one for company results, but considerable City attention will be focused on the figures due from Sir Terence Conran's STOREHOUSE.

The main problems were well documented during last year's failed bid by Benlox. The announcement is expected to show that Mothercare suffered following the installation of a new centralised distribution system and warehouse last year, which led to stock shortages in some stores.

Although Storehouse looks as though it has solved those difficulties, lower sales volume at the British Home Stores chain probably will have taken its toll on the figures. Analysts hope Julian will offer some consolation with a positive statement of future plans.

The underlying strength of the property market, emphasised last week by the strong growth of Land Securities' net asset value,

should show through in the interim next week of M&P.

The second largest of the property investment and development groups, M&P has an overseas exposure that Land Securities lacks. Notwithstanding that, the interims are expected to indicate that the group is on track for a 20 per cent increase to full-year pre-tax profits to around £100m.

At the half-way stage, pre-tax profits could be close to £50m, suggesting earnings per share of around 11p and an interim dividend of about 4p with more to come at the end of the year.

Analysis are betting that FEI's ambitious acquisition of Babcock last August will be a success, despite their qualms at the time that the much-smaller FEI was over-reaching itself.

The Babcock content of the electrical manufacturer and heavy engineering contractor's full-year results, to be announced on Thursday, will reflect the period when its major rationalisations...



Sir Terence Conran of Storehouse

Results Due

Analysis are betting that FEI's ambitious acquisition of Babcock last August will be a success, despite their qualms at the time that the much-smaller FEI was over-reaching itself.

The Babcock content of the electrical manufacturer and heavy engineering contractor's full-year results, to be announced on Thursday, will reflect the period when its major rationalisations...

Analysis are betting that FEI's ambitious acquisition of Babcock last August will be a success, despite their qualms at the time that the much-smaller FEI was over-reaching itself.

The Babcock content of the electrical manufacturer and heavy engineering contractor's full-year results, to be announced on Thursday, will reflect the period when its major rationalisations...

Analysis are betting that FEI's ambitious acquisition of Babcock last August will be a success, despite their qualms at the time that the much-smaller FEI was over-reaching itself.

The Babcock content of the electrical manufacturer and heavy engineering contractor's full-year results, to be announced on Thursday, will reflect the period when its major rationalisations...

Analysis are betting that FEI's ambitious acquisition of Babcock last August will be a success, despite their qualms at the time that the much-smaller FEI was over-reaching itself.

INTEREST RATES: WHAT YOU SHOULD GET FOR YOUR MONEY

Table with columns: Quoted rate, Compounded return, Frequency, etc. Lists interest rates for various financial products.

Handwritten signature or mark at the bottom of the page.

FINANCE & THE FAMILY

Andrew Hill finds the tide has turned for an unglamorous investment

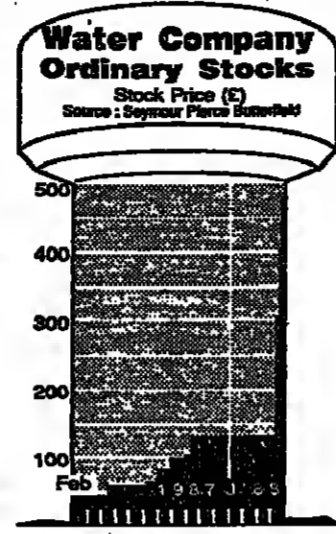
Wave of interest in waterworks

CONNOISSEURS of Monopoly have always regarded the waterworks as a slightly unglamorous investment. In real life, however, they have suddenly become almost as desirable as the board game's Mayfair or Park Lane.

French water suppliers, in particular, have been investing heavily in the UK's 28 statutory water companies, preparing for the planned privatisation of the much-larger water authorities. As a result, the price of ordinary voting stock in the companies has risen to levels that would have seemed ridiculous less than a year ago.

every Saturday in the Financial Times. Jeremy Lewis, joint managing director of Seymour Pierce Butterfield - which acts as broker, to all but one of the water companies - says the recent surge of activity has woken up a small army of private shareholders. But can remember, not long ago, when we were buying this stock for widows and orphans. It was very largely held by private investors, although some of it found its way into the high-yielding unit trusts, he says.

thousand pounds to gain the same influence over Bristol Waterworks as Compagnie Generale des Eaux and Lyonnais des Eaux, rival French water-suppliers who have been competing for Bristol stock. Together, they hold nearly 54 per cent of the company's stock. But although their nominal stakes are large, Bristol's statutes restrict shareholders to 20 votes each, no matter how big their investment. Voting restrictions do not apply to all water companies, but there are plenty of other deterrents for speculators. For example: ■ Very little stock available. ■ Dividends are fixed by statute. ■ Any profits, savings from improved efficiency, or surpluses from the sale of unwanted assets have to be passed on to consum-



ers in lower water charges. ■ New stock can be issued - usually through tender offer - without consulting existing holders. So far, the price of the scarce ordinary stock in all other water companies has been hanging on to the coat-tails of the dozen or so companies which have been the subject of speculation. Lewis believes this will change as companies are considered on their own merits rather than in an undifferentiated mass. Redeemable preference stock which carries votes has also jumped in price - although investors should keep an eye on the date of redemption if they are waiting for privatisation. However, Lewis warns that this really is a market for professionals willing to pay what is, for them, a comparatively low price for a foothold in the UK water industry.

National Mutual rate cut causes a stir

Eric Short on a life company creating ripples in the market

THE NATIONAL Mutual Life Assurance Society, a medium-sized fraternal life company founded in 1890, caused a ripple in the market this week when it revealed that it had cut its 1987 reversionary bonus rates by 20p per cent to £4.90 per cent compound for endowment assurances, and 25p per cent for pension contracts. Since the United Kingdom Provident Institution ran into trouble two years ago, there has been speculation about the prospects for other smallish mutual life companies. News that London Life Assurance is jumping into the arms of the much larger Australian Mutual Provident has added to the uncertainty. Although life company actuaries have been warning about reversionary bonus cuts being hampered because of falling interest rates, very few life com-

panies actually made cuts this year. Equitable Life being a notable example of those that did. National Mutual deals solely through independent financial advisers and, as a member of Camifa (Campaign for Independent Financial Advisers), is committed to this method of marketing. Therefore, the company has to ensure intermediaries that it is cutting from strength rather than weakness. Explaining National Mutual's bonus philosophy, general manager Ken Hazell says that reversionary bonuses will be paid from the investment income earned by the underlying funds. Unrealised capital appreciation will be passed on to policy-holders as terminal bonuses when policies mature or become death claims. It will not be used to support the reversionary bonus rate. More life company actuaries are adopting the view that policy-holders should receive as bonuses what their premiums have earned. Cross-subsidies between different generations of policy-holders should, under this

NATIONAL MUTUAL LIFE table with columns for Vesting (July-Dec 1987, Jan-June 1988, July 1988), Term (10 years £, 15 years £), and Accumulated Value on Retirement Annuity Contract - Annual Premium £1,000.

Lower interest rates mean a slowing down in the growth of investment income, and a resulting bonus cut. If interest rates rise again substantially, then Hazell is adamant that National Mutual will increase its rates in line. The effect of this policy is seen in the table. The underlying factor bringing about the problems of United Kingdom Provident and London Life was their attempts to grow rapidly and become major life companies without having adequate capital resources. National Mutual Life has no such ambitions.

Perils of being a marked man

Kevin Goldstein-Jackson celebrates a windfall but warns of the disadvantages of a "marking name"

I HAVE just received £1,623.80 as the proceeds from the sale of an investment I have only recently discovered I owned. I thought I had sold the shares some time ago. In 1982, via one of my UK stockbrokers, I bought 100 shares in the US company Warner Communications. These shares were held in a "marking name," since this was supposed to ensure that the shares would be easier to sell in the future. The problem with "marking names" is that all company reports and circulars go to the "marking name" and not directly to the investor. I therefore received no communications from Warner Communications and the dividend payments were credited to the "marking name" of the bank concerned, which dealt directly with my stockbroker. In January 1987, I sold 100 Warner shares, thinking that I had disposed of my entire investment in that company. My stockbroker shared this view. Imagine my surprise when the stockbroker wrote to me earlier this month stating: "We are in the process of distributing to clients all those better share certificates which we are currently holding. As you know, you have a holding of 100 Warner Commu-



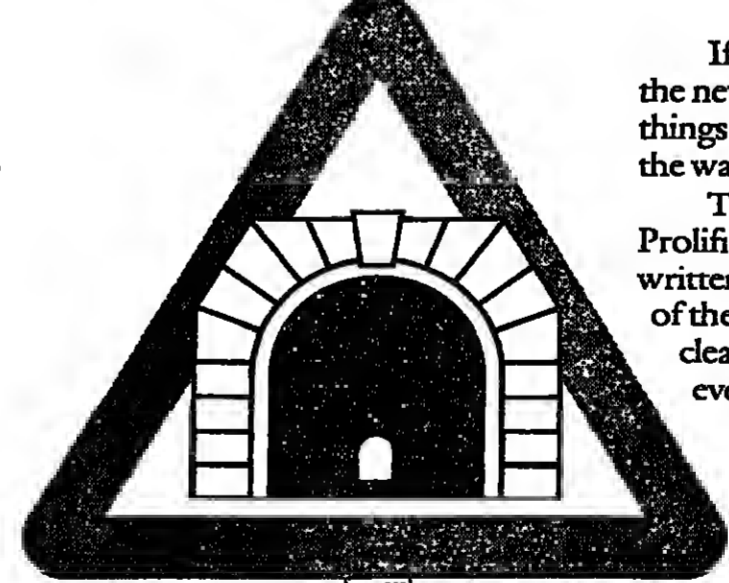
ications \$1 shares currently held in a marking name and up until now bank etc has been claiming your entitlements. We have now ceased this arrangement and require you to organise your bank to claim the entitlements if indeed you consider the holding at all worthwhile. What had happened? Did I really still own 100 Warner shares? Had there been a share split? I contacted the stockbroker concerned. After investigation, he informed me that Warner did indeed have a one-for-one share split in August 1986, which was why I had 100 Warner shares to sell. The "marking name" had not informed him of the receipt of the extra 100 shares. Thus, I was able to sell my newly discovered Warner shares and benefit from the surprise windfall. If the shares had been registered in my own name I would, of course, have received details of the share split direct from the company and so could have sold all my Warner shares in 1987. In 1986, when I first bought shares in the US companies Amfac and MCA via the London office of a US broker, I insisted that the shares be registered in my name and not in a "marking name" or held in an account controlled by the US broker. The US broker was somewhat upset by this: "Don't you trust us? Don't you want the shares held by us in New York? 99 per cent of our clients do." The broker pointed out that the shares would be easier to sell if they were held in the US as the share certificates would not need to be sent to the US when I wanted to

dispose of them, and some institutional investors did not like to buy shares from "a bad marking name" (in other words, me) which might have an impact on their selling price. I could still get reports and circulars from the companies if I really wanted them, but inevitably there would be "a slight delay" in forwarding these documents. I persisted. Eventually I received a note from MCA addressed to "Kevin Grierston, c/o Goldstein Jackson" - the US broker's computer had not been able to cope with a name like mine. I therefore had to write to MCA to get the shares properly registered. I have not used the US broker concerned again. This has been well worthwhile. For example, the Amfac shares in January 1986 cost \$24 each. I bought Amfac shares because the company had reported losses yet owned over 50,000 acres of Hawaii and the Japanese were paying very high prices for land and assets in Hawaii. Either Amfac would be "surged around" or it would be taken over. Every time I thought about selling my Amfac shares I received a quarterly report from the company detailing its return to profits, disposals of certain assets, reorganisation proposals and so on, and so I retained my shares. Amfac is now over US\$45. Holding foreign shares in your own name can create lots of paperwork. For example, in Hong Kong, some shares are sold in fairly small lots. In January this year, via one of my UK brokers, I bought 14,000 shares in Sing Tao. This involved signing (and having witnessed) seven share transfer forms, each for 2,000 shares. But at least I received the company's April circular relating to the sale of one of its assets at a considerable profit. Sing Tao shares have risen in consequence. Using "marking names" and bank and stockbroker services designed to "relieve the investor of paperwork" may well suit a large number of people, but surely even they still want to double-check that everything has been properly recorded. How can they do that unless they receive reports and circulars from the companies in which they have invested? I much prefer to own overseas shares directly. That way there is no delay in receiving information from the companies concerned.

BUCKMASTER & MOORE LTD advertisement. Successful fund management for the private investor. Established in the City since 1895. For nearly a century we have been successfully managing the investment affairs of clients, with portfolios now ranging from £100,000 to over £1m. Since 1970 we have also managed unit trusts - we were one of the top six groups in both 1986 and 1987. Since 1986 all our activities have been backed by Credit Suisse, one of the world's foremost financial institutions. Today our many thousand clients enjoy a combination of modern technology and personal service which, we believe, is second to none. More important, they can rely on the proven investment skills of our experienced Fund Managers. Our ten longest serving Fund Managers have been with us for an average of over 18 years. If you are dissatisfied with your current investment adviser or you do not have one, write to Paddy Ross at 80 Cannon Street, London EC4N 6EH. Or telephone him on 01-588 2868. *Source: Money Management, Feb. 1987 & Feb. 1988.

At last there's a light at the end of the pensions tunnel. If you've been in the dark about how the new pensions legislation will change things for the future, we can help you see the way ahead more clearly. Three new booklets, sponsored by Prolific Financial Management and written by Consumer Pensions Journalist of the Year, Leigh Hopkinson, throw a clear light on the answers to practically every question you might want to ask. Whether you're an employee, an employer or self-employed, you'll find the advice impartial. And the language straightforward. To get your free Prolific pensions guide, simply complete and return the coupon below.

At last there's a light at the end of the pensions tunnel

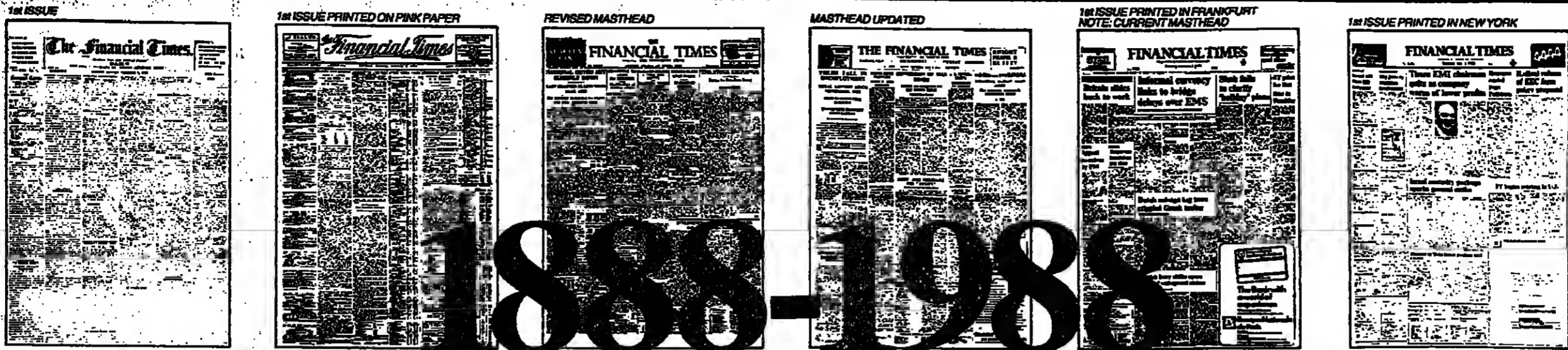


If you've been in the dark about how the new pensions legislation will change things for the future, we can help you see the way ahead more clearly. Three new booklets, sponsored by Prolific Financial Management and written by Consumer Pensions Journalist of the Year, Leigh Hopkinson, throw a clear light on the answers to practically every question you might want to ask. Whether you're an employee, an employer or self-employed, you'll find the advice impartial. And the language straightforward. To get your free Prolific pensions guide, simply complete and return the coupon below.

Form for requesting a free pensions guide. Includes fields for Name, Address, Postcode, and checkboxes for 'I am an employee' and 'I am self-employed'. To: Peter Smith, Prolific Financial Management, FREEPOST, 222 Bishopsgate, London EC2B 2PR. I'd like to know how the new pensions legislation will affect my retirement plans. Please send me a free guide. (Please tick as appropriate.)

IS THERE A BANK ACCOUNT THAT OFFERS:- A High Rate of Interest? A Cheque Book? Immediate Access? No Bank Charges and No Penalties? A Personal Account Advisor? IMPOSSIBLE... Far from it. The AAB 'High Interest Cheque Account' (HICA) offers you the opportunity of earning a high rate of interest which is linked to the London Money Market rate - at present 8.0% gross, 6.14% net. In addition, interest is paid monthly, standing order and direct debit facilities are available, and there are no restrictions on the use of the Cheque Book and no bank charges. Interested? All you need to do is to complete an application form, deposit a minimum of £3,000 and remain in credit. For further information on HICA and an application form, please return the coupon - we feel that you will be impressed with what you read. *Rates correct at time of going to press.

...IT'S POSSIBLE WITH AAB. AAB - The Allied Arab Bank is an Authorised Institution under the 1987 Banking Act. Registered Address: Allied Arab Bank Ltd, Granite House, 97-101 Cannon Street, London EC4N 5AD. Name, Address, Postcode, Day Tel No. FT 285 Tick if non-UK resident. Please return to: The Manager, High Interest Accounts AAB FREEPOST 16, London W1E 8JH or for more information call 01-629 6802. Our branch situated at 131-132 Park Lane, London W1Y 3AD.



1888-1988

A CENTENARY EVENT FOR READERS OF THE FINANCIAL TIMES

THE QUEEN ELIZABETH II CONFERENCE CENTRE
WESTMINSTER, LONDON

7, 8 & 9 JULY, 1988

As part of its Centenary year, the Financial Times is pleased to announce **Personal Investment 1988**. An Exhibition for those seriously interested in investment, it will provide an opportunity for its readers to discuss their individual personal financial planning requirements and take part in the exciting programme of events that will contribute to this celebratory occasion.

Entry to the Exhibition costs £5.00 which includes a ticket

for you and a guest, a catalogue and the opportunity to visit the FT Centenary Photographic Display and a special show of paintings by the New English Art Club.

Those attending the Exhibition will also be able to register for any of the associated conferences, workshops and events listed below. At £10.00, the cost of each is attractively low but numbers are restricted and early booking is essential.

PROGRAMME OF EVENTS

| | | |
|--|---|--|
| <p>Thursday, 7 July 10.00 - 13.15 OPENING CONFERENCE - CAPITAL PROTECTION AND GROWTH Financial planning for men and women in late career and at retirement. Sir Mark Weinberg Chairman, Allied Dunbar Assurance Deputy Chairman, Securities & Investments Board Gordon Peppert Director & Senior Adviser, 'McLaglan Montagu' Alan Kelly Partner, Grant Thornton Author, 'Financial Planning for the Individual' John Patterson Director, National Savings Michael Pritch, CBE Former Director, Noble Lowndes Former Chairman, NAPP</p> <p>14.00 - 17.15 PERSONAL FINANCIAL PLANNING AFTER THE 1988 BUDGET An overview of the income and capital changes in the most recent Lawson Budget and suggestions on the financial and investment decisions that follow. Lord Bruce-Gardyne of Kirkcaldy Former Economic Secretary to the Treasury David Stewart Senior Tax Partner, Deloitte Haslins + Sells John Chown J F Chown & Co Hugh Blakeway Webb Tax Partner, Deloitte Haslins + Sells</p> <p>18.00 - 20.30 PERSONAL PENSIONS A subject of immediate importance to men and women in employment as the new pensions regime takes effect in July. An authoritative panel looks at the risks and possible rewards of leaving employer-run schemes. Dryden Gilling-Smith Managing Director, EBS Management Maurice Oldfield Former President, NAPP Group Pensions Executive, Allied Lyons Robert Ashurst Partner, R Watson & Sons An Insurance Company speaker to be announced</p> <p>18.00 - 19.30 INVESTING IN GOLD Should gold play a bigger part in the portfolios of British investors? A distinguished panel will answer the question and discuss how to proceed. Robert Guy Director, N M Rothschild & Sons Julian Baring Gold Specialist, James Capel Anthony Garrett Deputy Master & Comptroller, The Royal Mint</p> | <p>Friday, 8 July 10.00 - 13.15 CAPITAL PROTECTION AND GROWTH FOR DIRECTORS AND SENIOR EXECUTIVES Personal investment strategies for men and women at the top of companies and with businesses of their own. The Rt Hon Cecil Parkinson, MP John Forsyth Director, Morgan Grenfell Barry Riley Investment Editor, Financial Times Tony Vernon-Hart Author, 'Charterhouse Guide to Top Management Remuneration' Dryden Gilling-Smith Managing Director, EBS Management</p> <p>10.00 - 13.15 WORKSHOP FOR EXPATRIATES A special workshop on the requirements of men and women living abroad. Peter Garland Editor, 'The Internationalist' Peter Donne Davis Managing Director, Abbey National (Overseas) John Crittenden Manager, Expatriate Services, Lloyds Bank Donald Eldin Director, Wilfred T Fry (PFP)</p> <p>14.00 - 17.15 ALTERNATIVE INVESTMENTS An examination of areas of interest to collectors including discussions of market trends by Sotheby's directors, chaired by one of the principal contributors to the BBC Antiques Road Show. Lecturers: Simon Taylor Christopher Payne David Bennett David Battie</p> <p>18.00 - 19.30 SOTHEBY'S WINE TASTING This is a fascinating opportunity to join a tutored tasting of investment quality wines. Numbers are limited and early application is essential. Tutor: David Moynoux-Berry MW Head of Sotheby's Wine Department Introduced by: Edmund Penning - Rowse FT Wine Correspondent</p> <p>17.00 - 18.30 REVIEWERS' EVENING Offered on a complimentary basis to a limited number of readers, this distinguished panel will be chaired by the FT Literary Editor. Contributors: Tony Curtis Francis King Rachel Billington</p> | <p>Saturday, 9 July 10.00 - 13.00 CAPITAL PROTECTION AND GROWTH FOR THE YOUNGER INVESTOR Designed for men and women planning an investment strategy for the longer term. Richard Lambert Deputy Editor, Financial Times David Battie Director, Sotheby's John Brennan FT Property Correspondent Hugh Llewelyn Bailey Shalton Speaker on Personal Pensions to be announced</p> <p>14.00 - 17.15 INTRODUCTION TO INVESTMENT The Stock Exchange and its three markets, unit linked investments, high street developments and investor protection are among the subjects to be covered. John Edwards Personal Finance Editor, Financial Times Mark Bollett Director-General, Building Societies Association Daniel O'Shea Director, M & G Investment Management Author, 'Investing for Beginners' Ian Morrison Group Corporate Affairs Director, Midland Bank Colin Chapman Editor, Financial Adviser Speaker from The Stock Exchange invited</p> <p>14.30 - 17.00 "HOW TO SPEND IT" An afternoon with: Lucia van der Post (with a lot of help from Harrods).</p> <p>11.00 - 12.30 TASTING OF PINK CHAMPAGNE Two tutored tastings of pink champagne with sparkling examples from leading houses. 14.00 - 15.30 Tutor: Robert Joseph Publishing Editor, 'Wine' Magazine</p> <p>EVENING CRUISE TO GREENWICH AND SYMPHONY CONCERT A limited number of tickets are available, at £20.00 each, for a boat trip from Westminster to Greenwich for a symphony concert by the NCOs Symphony Orchestra with Anne Steiger as soloist and with the German conductor Volker Wangenheim. Programme: Wagner Overture Rhenz R Strauss Oboe Concerto Soloist: Donovan Fhulke Dvorak Song to the Moon and Rusalka Smetana Carmen Suite and Michael's Aria Granados The Lover and the Nightingale from Goyescas Mussorgsky arr. Ravel Pictures at an Exhibition The National Centre for Orchestral Studies has been favourably reviewed by the FT and the NCOs is moving into its new home in Greenwich Borough Hall. Return transport is provided.</p> |
|--|---|--|

A FINANCIAL TIMES CENTENARY EVENT GROUP SPONSOR: Midland Bank plc ASSOCIATE SPONSOR: The Royal Bank of Scotland plc

| | | | |
|--|--|---|--|
| <p>TICKET APPLICATION FORM (We shall attend the Personal Investment Exhibition and wish to register for the following events. (Please enter the number of tickets required in the boxes below)</p> | | <p>SATURDAY, 9 JULY CAPITAL PROTECTION & GROWTH FOR THE YOUNGER INVESTOR <input type="checkbox"/> @ £10.00 = £ INTRODUCTION TO INVESTMENT <input type="checkbox"/> @ £10.00 = £ "HOW TO SPEND IT" <input type="checkbox"/> @ £10.00 = £ TASTING OF PINK CHAMPAGNE <input type="checkbox"/> @ £10.00 = £ EVENING CRUISE AND SYMPHONY CONCERT <input type="checkbox"/> @ £20.00 = £ PLUS EXHIBITION ENTRY <input type="checkbox"/> @ £ 5.00 = £ GRAND TOTAL _____</p> | |
| <p>THURSDAY, 7 JULY OPENING CONFERENCE - CAPITAL PROTECTION AND GROWTH <input type="checkbox"/> @ £10.00 = £ PERSONAL FINANCIAL PLANNING AFTER THE 1988 BUDGET <input type="checkbox"/> @ £10.00 = £ PERSONAL PENSIONS <input type="checkbox"/> @ £10.00 = £ INVESTING IN GOLD <input type="checkbox"/> @ £10.00 = £ SUB TOTAL _____</p> | <p>FRIDAY, 8 JULY CAPITAL PROTECTION & GROWTH FOR DIRECTORS & SENIOR EXECUTIVES <input type="checkbox"/> @ £10.00 = £ WORKSHOP FOR EXPATRIATES <input type="checkbox"/> @ £10.00 = £ ALTERNATIVE INVESTMENTS <input type="checkbox"/> @ £10.00 = £ SOTHEBY'S WINE TASTING <input type="checkbox"/> @ £10.00 = £ REVIEWERS' EVENING <input type="checkbox"/> FREE SUB TOTAL _____</p> | <p>Methods of Payment A cheque for £ is enclosed made payable to Financial Times Limited Please debit my <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> for £ Card Number _____ Name as it appears on credit card _____ Signature _____ Expiry Date _____ Billing address if different from above _____ I do not object to the details provided being stored on computer and used for distribution purposes only. (delete as applicable) VAT Registration No. 278 5371 21 All prices include 15% VAT.</p> | |
| <p>PERSONAL INVESTMENT 1988 Financial Times Centenary Exhibition 175 Munster Road, London SW6 6DA Booking enquiries: 01-731 4484 General enquiries: 01-925 2323</p> | | <p>Name _____ Name of Guest _____ Address _____ Address _____ Postcode _____ Postcode _____ Telephone _____ Telephone _____ Occupation _____ Occupation _____</p> | |

FINANCE & THE FAMILY

Eric Short on an honest assessment of pension plans Not so shy on retiring



Gyles Brandreth

the self-employed, again using block diagrams to emphasise the various possibilities. The choices are not straightforward and the book takes considerable trouble to cover every option and the implications of each.

Now comes the crunch for employees who are currently in a company scheme or are eligible to join one. Should they opt for the employer's scheme or for a personal pension?

The NAPF book does not come up with the conventional answer - that the company scheme must be best for employees. Instead, it sets out 15 detailed questions that employees should ask of the company scheme.

Alongside each question, space is provided for you to write out the answer. This leads to the key decision-making section, which takes the form of 20 questions that employees should ask of both the company scheme and the personal pension alternative.

No attempt is made to cover the Achilles heel of final-salary company schemes - the penalties on changing jobs. After describing the pros and cons in detail, the conclusion is: "Final salary employer schemes are more suitable for those who do not change jobs frequently. If you do change jobs frequently, money purchase employer schemes and personal pensions are a better bet - your pension rights are not affected."

A personal pension salesman would not be so frank in criticising company final salary schemes.



Michael Elton

There is space at the end of this section where the employee can summarise and readily compare the answers.

The book warns against the purely mechanical approach to decision making - counting the ticks for and against company schemes, and selecting on the basis of most ticks. It makes the valid point that some questions - such as the value of a pension being maintained against inflation - are more important than others to particular individuals.

Finally, the book contains a list of 20 questions that employees should ask the personal pen-

sions salesman, including questions on the amount of commission received and the amount deducted in charges.

Here, the NAPF falls a little short of its previous high standards. Some of the questions are misleading - estimates of pension and assumptions on investment returns are only given on an official basis by Lauto (the Life Assurance and Unit Trust Regulatory Organisation) and bear no relation to the experience of a particular life company. One question - that on past investment performance - could have some very misleading answers.

The authors of the book would do well to rethink this section. The same applies to one of the final questions - "Should I Discuss My Choice with Anyone?"

The book concludes, quite rightly, that employees should seek independent advice. However, it is very weak on the sources of such advice.

Anyone seeing the TV advertisements from Camifa (Campaign for Independent Financial Advice) could well feel that any financial adviser displaying the Camifa sign would fit the requirements. However, these persons are just one section of those selling personal pensions, not the sort of advice the NAPF has in mind.

Again, this section needs to be expanded to give a full picture. Subject to these shortcomings, the book is the best yet available for employees seeking to sort out their pension choices.

"Future Perfect - How to profit from your pension planning" is published by Robson Books and is available from bookshops priced £2.95.

Independent thoughts

Peter Gardland on potential investment traps for the unwary



Adrian Collins: two points to watch out for

"WHERE can I obtain independent financial advice?"

This question is asked frequently whenever personal finance is discussed. There is no simple answer, but the detailed provisions of the UK's recently-enacted financial services legislation go a long way towards creating the kind of retail financial environment in which independent advice is more likely to be trusted.

For British expatriates, independent financial advice remains a service which is patchy in its availability. Take the similar circumstances of Mr A and Mr B. Both are 40-year-old British engineers with a lump sum of £20,000 to invest. Both are seeking long-term capital appreciation rather than income. The only difference is that Mr A lives in Birmingham, while Mr B resides in Saudi Arabia.

Under the provisions of the Financial Services Act Mr A is entitled to receive "best advice" from his financial adviser who, in turn, is under a legal obligation to "know his customer" and put his client's interests first. The adviser must be truly impartial and must not masquerade as being impartial if, in fact, he is the representative of a particular bank, insurance company or fund management group.

rules exist in countries in which they transact business; such rules are unlikely to match the rigours of the UK laws.

There is a number of steps an expatriate can take to reduce the risks of bad advice or, worse still, fraud.

Ask the adviser if he is a member of Fimbra.

If the answer is "yes," don't take his or her word for it. Verify his membership either with Fimbra in London or with the SIA, which now operates a central register of persons who are authorised under the Financial Services Act.

Do not deal with an adviser who is not a member of Fimbra. This does not mean non-Fimbra members are untrustworthy, but you should not take avoidable risks on the source of financial advice.

Having established that your adviser is authorised by Fimbra, be clear at the outset whether he is to receive commission from the fund management group or insurance company with which he might place any business for you, or whether he proposes to charge you a fee. Traditionally, financial advisers have been remunerated by commission although fee-charging is becoming more common now. If the adviser is to be remunerated by commission, don't be shy of asking how his remuneration will vary according to the type of investment he recommends to you.

Having got the basics sorted out, you still need to satisfy yourself that your adviser is doing his job properly. Do you feel that he has elicited sufficient information from you regarding your investment aims and time horizons and your level of risk tolerance to enable him to discharge his duty to provide "best advice"?

Ask the adviser why he is making particular recommendations. Does his explanation sound like common sense to you? If it does not, chances are he is trying to bamboozle you rather than offer you "best advice."

There are two other simple safeguards to bear in mind. They were highlighted by Adrian Collins, chief executive of the fund management subsidiary of Royal Trust Company of Canada, in a talk given to British expatriates at the International Money Show held in Marbella earlier this month: always make the cheque for your investment payable to the fund management group rather than the adviser, and never invest in a share which someone attempts to sell you over the telephone.

Peter Gardland is editor of The International, the FT magazine for expatriates.

MANY STOCKBROKERS ARE NOW ONLY INTERESTED IN BIG CLIENTS. WHERE DOES THAT LEAVE YOU?

Unless you're awash with money to invest, you may well find yourself up the proverbial creek. Fortunately, help is at hand. Barclayshare is a new stockbroker, set up specifically for the private investor. Whatever the value of your portfolio we'll treat you as a valued client.

Please send me details about the Barclayshare service. Name: Address: Postcode: Telephone No. (Home) (Work)

BARCLAYSHARE A BETTER DEAL IN STOCKBROKING Barclayshare is a member of The Securities Association and of The International Stock Exchange. Barclayshare Services are only available to UK residents for tax purposes.

CHESS

THE EUROPEAN Options Exchange tournament which ends today in Amsterdam is, in terms of official rankings, the strongest ever held. It brought together world champion Karpov and ex-champion Kasparov for the first time since their last title match, along with Holland's best players Timman (world number three) and van der Wiel. Right from the start, it became clear that the heavyweights would concentrate their fire on van der Wiel, who lost his first three games. At half-way, Kasparov led by half a point from Karpov after beating him in one of their individual encounters, but hardly in convincing style. Kasparov sacrificed two pieces in a concept that echoed some of Tal's games late in the 1950s - a gigantic bluff made in the belief that the opponent would be unable to withstand the pressure of constant precise calculation. Even against Karpov, this psychological approach worked. The former champion defended well before missing what clearly was a winning move. He then became desperately short of time and lost the game on forfeit (while still probably in a drawn position) at move 39, two moves before the control. Earlier, Kasparov began the tournament with a convincing demonstration of how a grandmaster likes to outplay a slightly weaker opponent. Black's early moves were an uneasy blend of the restrained "hedgehog" formation (pawns at Q2, Q3, Q4 and E3) with hints of aggression (bishop at Q4 rather than K2, casting queenside).

Kasparov took control of the board by a king's side pawn advance, then exploited Black's cramped pieces by a winning sacrifice. White: G. Kasparov. Black: J. van der Wiel. Queen's Indian Defence (Amsterdam 1988). 1 P-Q4, N-K3; 2 P-QB4, P-K3; 3 N-K3, P-Q3; 4 P-Q3, B-R3; 5 Q-R2, B-N2; 6 N-B3, P-B4; 7 P-K4, P-P; 8 N-P, B-B4; 9 N-N3, N-B3; 10 B-N3, P-Q3; 11 O-O-O, Q-R3; 12 K-N1, Q-O-Q; 13 Q-Q2, P-Q3; 14 P-B4, P-R3; 15 B-B4, N-E4; 16 P-K4, B-N1; 17 P-R3, R-Q2; 18 B-B1, B-Q1; 19 B-E2, K-R2; 20 KR-Q1, R(Q)-Q1; 21 P-N4, N-N1; 22 B-N3, N-E2; 23 P-B4, N-Q2; 24 B-B3, B-Q1; 25 B-B4, B-Q2; 26 N-N5 ch P-N1; 27 P-R, N-E2; 28 R-P; 29 R-P when P-R loses as in the game. Q-R falls to Q-R5 ch, and Q-N3 is met by 30 Q-Q2, P-R (Q-R; 31 B-B2 wins the queen); 31 R-R with the double threat R-N and Q-R4 ch.



Less heavyweight than the Amsterdam event, but in its way just as interesting, the Watson, Farley & Williams Challenge opened yesterday at the sponsoring solicitors' City of London offices. Three of the 12 players are overseas grandmasters while the other nine are young British players aiming for the GM or IM title. There will be particular interest in the results of Britain's leading woman, Susan Arkell, who is making another attempt to achieve a master score at men's level; and of 13-year-old Matthew Sadler of Chatham, Kent, who last month became the youngest boy in chess history to reach an IM norm. John Fedorowicz, the US olympic player, is the top seed. However, he can expect stern opposition from five young Britons, Hebden, Hodgson, King, Levitt and Motwani (all with at least one qualifying score towards their GM target), as well as 17-year-old Norwood, who tied recently for first with Korchnoi at Lugano. This talented group have played few games among themselves in recent years so the Watson, Farley & Williams event should stimulate their efforts to rival the Soviets and Americans. PROBLEM No. 724 BLACK (12 MEN) WHITE (13 MEN) B. Glucksbey v. M. Najdorf, Warsaw 1935. Most chess players have heard of the brilliant immortal and Evergreen games won by Anderssen in 1851-52, but who knows the Polish immortal? Miguel Najdorf, who later emigrated to Argentina and became a world title candidate, was in the position after Najdorf (Black to move) sacrificed a bishop and knight for attack. How should he continue? Solution Page XXI Leonard Barden

How to Live, Work and Invest abroad

The complete monthly guide

The rewards of life overseas are big – a better job, more money, lower taxes, a higher standard of living and a lot more. You can easily double your income – or do even better – with the right advice.

Probably the very best advice for expatriates is in *Resident Abroad*. Every month you can look forward to news and comment, entertainment and hard information: Ways to make money, ways to save money and a host of ideas on how to spend it!

EVERY MONTH RESIDENT ABROAD COVERS

Effective tax planning
Financial Notebook
Letters to the Editor
Currencies
Offshore funds
World stockmarkets

UK Living costs
UK house prices
What's on overseas
Prize competitions
Travel & Leisure

As well as the best investment opportunities and the neatest tax plans, *Resident Abroad* covers just about every other subject you're likely to need an expert view on while you're abroad. It's all presented in a clear readable style so you can plan your moves with confidence.

There's more to life overseas than money. When you're considering your children's education, when you're wondering about prices in the UK, when you're choosing airlines, cars and holidays, turn to *Resident Abroad* for an informed view.

Published by the Financial Times

Resident Abroad is written by an expert team from FT.

Magazines. As you would expect from a sister publication of the F.T., the quality of reporting is of the highest standard.

For almost a decade, *Resident Abroad* has offered solid, impartial advice on all aspects of living and working overseas. News is interpreted from your viewpoint as an expatriate.



2 Issues Free

We would like you to see for yourself how *Resident Abroad* really is the complete guide to life overseas. Simply fill in the coupon on the right and send it to the address shown. We will send you the next 2 issues of *Resident Abroad* free of charge.

Money Back Guarantee

If you decide to become a full subscriber, you are protected by a Money Back guarantee. Should you decide to cancel at anytime, the unexpired portion of

your subscription will be refunded in full.

You can cancel your trial subscription after the second issue and owe nothing. Or you can go on receiving the magazine every month after the first two. You still pay nothing for the introductory issues you receive.

Reply Form

Return to:
Resident Abroad, Greystoke Place, Fetter Lane, London EC4A 1ND, UK.

Yes, Please enrol me as a trial subscriber to *Resident Abroad*. I understand I will receive 14 issues for the price of 12. I am free to cancel it anytime and receive a refund for the unexpired portion of my subscription.

Please tick appropriate box.

| | | |
|--------------------------------------|---|---|
| <input type="checkbox"/> UK: £30 | <input type="checkbox"/> N. Africa & Middle East £40 airspeeded | <input type="checkbox"/> Rest of World £43 airspeed |
| <input type="checkbox"/> Europe: £35 | <input type="checkbox"/> £46 airmail | <input type="checkbox"/> £56 airmail |

Payment must accompany order.

Cheque payable to FT Business Information Ltd.

Credit Card – tick choice

Amex Diners Visa Access

Card No.

Expiry Date

BLOCK CAPITALS PLEASE
Mr/Mrs/Miss

Company/Private Address

Country Post Code

Signature Date

Registered Address: Bracken House, Cannon Street, London EC4P 4BY. Registered Number: 980896.

618018

If you advise individuals or companies on their pension needs you will know how difficult it can be keeping up to date with what's on offer. Things in the pensions industry are changing all the time; new tax rulings; new legislation; new regulatory bodies. Keeping up with these changes has become a job in itself.

That's why advisers serious about giving best possible advice need all the help they can get in sorting out what's what. Already thousands of pensions advisers have come to rely on *Pensions Management* for just this sort of help.

Then there is our research feature. This is another in depth piece that covers subjects such as the future role of building societies in pensions and reviews of employee benefits and top company pension schemes.

And we have also introduced a new section – a comment piece from a leading figure in the industry.

In about 80 pages a month you can keep abreast of every pensions development and be confident you have the answers to even the most awkward questions you are faced with.

DON'T TELL THEM A THING TILL WE'VE TOLD YOU

Pensions Management is a monthly magazine published by the Financial Times for the busy pensions professional. We aim to cover every aspect of pensions that your clients might quiz you on. A/Cs. Buy Out Bonds. Executive Pensions. Home Income Plans. And more.

Every month we feature a major survey on a topic every serious adviser needs to know inside and out. Small self administered schemes. Pension mortgages. Investing in retirement. Self employed pensions schemes. Groups life assurance. In short, we aim to cover all the main areas your clients may need help on. You know that you may be asked about any aspect of pensions – and these days the one sure way of knowing the answers before they even ask you the question is by reading *Pensions Management*.

We don't stop at giving you in-depth research features. We also give you all the news of the industry. Who has moved where. What's the latest from the SIB. Which new products have been launched. New law that may affect you or your clients. New tax rulings. Reviews of new books. Even letters from our readers. We try to fill you in on all the latest goings on – often on topics neglected in the more general financial press. *Pensions Management* is the most authoritative and comprehensive pensions publication available.

And then there are our performance statistics.

Each month we carry up to 16 pages of statistics on the performance of most individual UK pension funds. We tell you the fund size, launch date, the average annual return from launch and the percentage growth of the fund from as far back as 1981. In addition each fund is given a quartile ranking – to help you get a more accurate picture of how each fund is performing without the influence of freak monthly fluctuations. The figures cover managed funds, UK equity, International, European, North American, Far Eastern, Money Funds, Fixed Interest funds, Index linked funds, Property Funds, and Exempt Unit Trusts. We aim to give the most comprehensive statistics that you might need when giving best advice to clients.

But you don't have to take our word for it. By returning the coupon below today you can take advantage of a no risk trial subscription to *Pensions Management*. We will send you the next two issues of the magazine at no cost. If you like what you see you can continue with the full annual subscription. If you don't like what you see simply cancel. We will refund your full payment. Your first two issues will still be yours to keep free.

But we feel that you will want to continue with the subscription. If you do, you can take advantage of a second introductory offer. We are giving a reduction on the normal UK subscription rate of £30.00. You pay just £24.00. That's a 20% saving. Overseas subscribers pay £40.00 saving £5.00.

To take advantage of this special double offer (two free issues and a 20% saving) simply fill in the coupon below. See the professional pensions monthly for yourself.

PENSIONS MANAGEMENT DISCOUNT ORDER FORM

Please return to: Financial Times Magazines, Subscriptions Department, 1st Floor, Central House, 27 Park Street, Croydon CR0 1YD.

Yes, Please enter my Subscription to PENSIONS MANAGEMENT at the special First-Time annual rate of £24 – saving £6 off the normal UK subscription rate of £30. (Overseas subscribers pay £40, saving £5. I understand that I will receive 14 issues: the first two issues are free.

I enclose a cheque for the value of £_____ made payable to FT Business Information Ltd. BLOCK CAPITALS PLEASE 663036

I wish to pay by credit card. Please debit my account. Mr/Mrs/Miss _____

VISA/ACCESS/AMERICAN EXPRESS/DINERS. Job Title _____

Card No. Company/Private Address _____

Expiry date _____ Signature _____ Post Code _____

Date _____ Nature of Business _____

Please invoice me. Please invoice my company. Signature _____

MONEY BACK GUARANTEE – After receiving my two free issues of PENSIONS MANAGEMENT I can cancel.

Any payment I make now will be refunded in full. If I choose to have you bill me, and then cancel, I will owe nothing.

FT BUSINESS INFORMATION LIMITED, REG OFFICE: 10 CANNON STREET, LONDON EC4P 4BY. REG NO. 980896.

FINANCE & THE FAMILY

Clay Harris on taking shares rather than cash at dividend time Back to the scrip alternative



MORE AND MORE British investors are being faced with a choice when companies declare dividends: continuing to collect their pay-outs to cash or using the chance to add to their holdings with no dealing costs?

The scrip alternative - allowing shareholders to elect for shares at market price to lieu of a cash dividend - has become increasingly popular with companies in recent years. Although a few say they have introduced the feature at the request of shareholders, most admit it also brings considerable financial advantages to themselves.

Not only does a company retain cash which otherwise would have been distributed in dividends, it also can delay - or sometimes even reduce permanently - tax payments when shareholders elect to take their dividend in shares.

Although the sum of cash saved usually is small, it still amounts to a "mini rights issue at market price" in the words of Miles Armstrong, finance director of the building products group Marley which is one of the pioneers in reviving the scrip alternative after a decade of neglect.

Groups which have introduced scrip alternatives in recent years include such well-known names as BAT Industries, BTR, Pilkington, Flessey, BOC, Consolidated Gold Fields, T&N, English China Clay and Hammarson Property.

Most have found strong and growing demand for the share alternative from small investors, apart from a lull after the October crash. Last autumn illustrates that there are times when

the share option is not right for anyone; some shareholders may find it *never* the correct choice.

Despite the coincidence of the word "scrip," there is no connection with a bonus issue in which all investors receive new shares to a fixed proportion to their holdings. Although bonus issues do not increase a company's value, the implication of "something for nothing" often boosts the share price.

However, shareholders who choose a share alternative are giving up some or all of the cash dividend which is due to them. The shares may rise or fall later but, on the day the price is fixed, the cash and the share alternatives are equal in value.

Before declaring a scrip alternative, a company must get the annual approval of its shareholders. Once this is received, companies proceed under guidelines laid down by the Stock Exchange and Inland Revenue.

The basis of the scrip issue is determined by the market price in the week the shares go ex-dividend, usually by the average mid-price over five days.

The company divides this figure by the net cash dividend to get the ratio at which the new shares will be issued. Based, for example, on a price of 100p and a dividend of 2p, the investor

not divide evenly into investors' holdings. However, shareholders electing for scrip do not lose out; they will receive the cash dividend payable on the surplus shares. In our hypothetical company, a holder of 125 shares would receive two new shares and 50p in cash.

Scrip dividends always are expressed as $\frac{1}{100}$ th of the share price in this case, and the base price will also be split out. This enables shareholders to watch the market price over the three full weeks they are given to decide. If the price falls considerably, the cash dividend will gain in attractiveness. If it rises, more investors will opt for shares.

Although the scrip ratio will not change, the farmer also watches the market price. If the price on the new shares' first day of trading and the available cash dividend are not "substantially different" (interpreted by the Revenue as a 15 per cent move either way), the cash remains the acquisition price for capital gains tax purposes.

If the share price moves by more than 15 per cent, income tax and eventual CGT liability will be based on the first trading price.

It is unlikely that non-taxpayers ever will find it in their interest to elect for scrip, as withheld

Only one company, the Bermuda-based ADT (formerly the Hawkey Group), is known to put the onus on shareholders to request cash. If they do not, and shares automatically, ADT obliges shareholders to wait an extra two months if they insist on cash. Only 30 per cent did at the interim stage last year.

Ironically, one of the few companies to keep a scrip alternative alive during the lean years, extracting a take-up as high as 75 per cent, has now abandoned it.

When Manganese Bronze Holdings, a taxicab and metal products group, began to pay an interim dividend in 1986 after years of confining itself to a single final pay-out, it decided that the additional administrative expense involved in continuing the scrip alternative would not be justified.

Most companies, however, find the marginal expense well worth it. In two years, for example, Gold Fields has saved a total of £27m in cash which otherwise would have been avoided - or, at least, postponed - £10.2m in tax payments.

For most companies, the tax advantage involves only deferring payment for a year or more until mainstream corporation tax comes due. But for other companies, which sometimes have too little mainstream liability to offset advance corporate tax payments, notes: "We can relieve that unrelieved ACT by not incurring it in the first place."

WHY LET FALLING MARKETS UPSET YOUR PROFITS?

Inevitably all markets obey the laws of gravity. Which can come down hard on your profits. Unless you, with your broker, can devise a clear investment strategy, to lock in profits and take advantage of the many worldwide short-term trading opportunities with absolutely limited risk. And in today's volatile climate, actually profit from falling markets as effectively as rising markets.

Such flexibility demands access to the latest information, plus experienced advice to exploit global movements as they occur. All of which awaits you at Bowers Cadle. Here we can assure you of a personal service and constantly updated ideas to complement your portfolio. Plus a competitive commission structure and a managed account with proven track record.

So, if you have at least £5,000 with which to speculate and wish to receive our latest market report and brochure, please telephone 01-236 4424 or return the coupon below.

Bowers Cadle & Co Ltd

FUTURES AND OPTIONS BROKERS
74-76 Watling Street, London EC1M 6ET
Tel: 01-236 4424 Fax: 01-488 0153 Telex: 923365 BOWCAD.

Please send me details and telephone me on: Work
Minimum account size £5000 Home
Name _____
Address _____
Signature _____
Only speculate with funds you can afford to lose.

TRAFFORD PARK

The Financial Times proposes to publish this survey on:
Monday, 26th July 1988

For a full editorial synopsis and advertisement details, please contact:
PHILIP DODSON
on 061 834 9381 (TELEX 666813)
(fax 061 832 9248)
or write to him at:

Financial Times
Alexandra Buildings
Queen Street
Manchester
M2 5HT

FINANCIAL TIMES
SUBSCRIBERS & ADVERTISERS

When a council refuses to act

I have recently converted a property from a house into two self-contained flats in a London borough. I adhered to the planning permission granted and the council's building regulations, and paid the fees required in full as requested.

When previously I have sold flats in the borough in this way, the purchaser would ask me to give him a letter stating that everything was in order. I would get a form letter from the council reading: "I thank you for your letter of... and have to advise you that a final inspection has been carried out at the above property and that there are no outstanding notices pursuant to building control legislation."

This letter, which also ensured that the builder had done his job, was forwarded to the purchaser's building society/solicitor.

As of March 1988, however, the same borough is (a) refusing to give this letter and (b) stating

it is "too busy/not enough staff to do the final inspection."

Is there any statutory duty that I can insist on? Also, bearing in mind the payment of planning and building regulation fees, is there a contractual liability which the council owes me?

The council is not obliged to supply a letter of the kind you indicate. If it persists in not doing so, you must get your own surveyor or architect to certify accordingly.

Who pays the tax?

My father, who died in June 1986, bequeathed a one-half share of his freehold property to our mother, with the remaining half to be held in trust for our four children. The residue of the estate was left to our mother.

As one-half of the agreed probable value of the property was in excess of £71,000, a small but

significant amount of inheritance tax has been charged.

I should like to know if the inheritance tax legislation makes it clear who should meet this liability - the beneficiaries (i.e. the four children) or our mother from the residue of the estate?

The inheritance tax payable on the death of your father is partly a charge on the interests in the freehold and partly payable by the executors in respect of the personality. The beneficiaries under the dispositions of the freehold may require the executors to discharge their inheritance tax liability as well, but a request to that effect ought to be made to the executors.

Changing a name

My daughter married a Spaniard and they lived for a time in Spain. They moved to the UK five years ago with one child whose birth was registered in Spain under the father's surname. They are now divorced, and my daughter has resumed her maiden surname but the child still bears the name of the father.

My daughter wishes to change the name of the child legally to her own maiden name, which the child already is using for the

purpose of school etc. What should she do?

Your daughter can change both her own and the child's names by a deed poll executed by her alone, but an affidavit giving reasons for the change, and showing that it is for the child's benefit, will be required.

Tied home difficulty

My son aged 33 is an assistant farm manager and his terms of employment require him to occupy a specific house on his employer's estate. He has been in the position of having to take the tenancy of an agricultural dwelling since beginning his career, and that position could well continue.

He is concerned to provide for his longer-term future and wishes to acquire a house in his area as a first-time buyer. If he does not do this soon, it seems the cost of a house will be beyond his reach forever. Until such time as he is able to occupy the house, he would let it.

Would income tax relief be allowed on the mortgage loan interest (Miras)?

Would a building society, on principle, make a loan on a property knowing that the purchaser would not occupy it for several

Ask MP to complain

No legal responsibility can be incurred by the Financial Times for the opinions expressed in these columns. All opinions are those of the author.

years? Some societies, locally, have shown marked reluctance to do so.

There are a number of employers who are obliged to accept the service fees and thousands of people must be affected. Unlike the public sector, the private sector does not offer tenants a right to buy at a discounted price. It would seem very unfair if this substantial group were disadvantaged.

Miras relief will not be available unless your son occupies the house as his main residence. However, providing the property is let, relief will be given for interest payments against rent received from the property. If the interest exceeds the net rental income, the excess will be carried forward to be deducted from future rental income. The excess cannot be set against any other income he may have.

We are not surprised in least of the reluctance of building societies to lend on a property if it is not to be owner-occupied. We suggest that you enlist the aid of a broker who should be able to come up with the best proposition in your son's circumstances.

I have been unemployed since 1983 and am now 55; my wife works and is taxed as a single person.

On April 2, 1987, I delivered to my local tax office details of my wife's earnings and bank and building society interest for the years 1981-87, requesting a refund of tax due to being fully supported by my wife and my personal allowances not taken. I requested a reply from my local tax office and wrote to them again on November 30, 1987.

On December 2, 1987, they phoned stating that they had sent my returns to the tax office which had dealt with my tax returns and tax when I last worked in 1980.

On December 3, 1987, my wife wrote to this tax office claiming any excess allowances and she also wrote to her own tax office on the same day claiming any personal allowances, giving my personal insurance number and the address of the tax office who had my returns.

To date, we have had no reply from the tax office concerned. Could you please tell me if my personal allowances are allowable against my wife's earnings as she fully supports me and I am unemployed, being credited only with my stamp.

Also, there is this year's return to make for 87/88. Who would I send it to and can my wife claim my personal allowances?

Yes, your wife's PAYE coding should include both the married man's allowance and the wife's earnings allowance (which is the same as the single person's allowance).

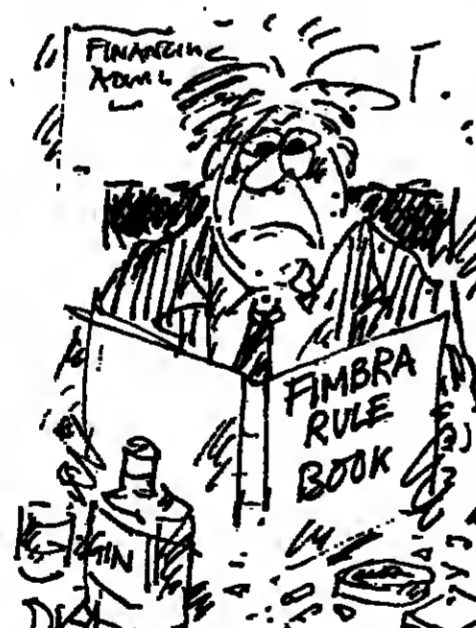
Probably the best way to prod the taxmen into action is to write to your MP. He or she might have an opportunity to raise this example of Inland Revenue inefficiency in Parliament. In any event, House of Commons employees attract special attention in tax offices. If you have not read it yet, ask your local tax office for a copy of the Taxpayer's Charter: it is free, and well worth studying.

Ask your local tax office to ensure that a tax return form is sent to you promptly. You can leave it to them to decide which tax office should handle the form.

(The House of Commons postcode is SW1A 0AA).

E.P.C. Cotter

Once you have read the rules you may need a little help



There are several weeklies that claim to serve brokers and financial advisers. Two of them are clad in pink. But only one is from the Financial Times.

It's called Financial Adviser. It covers the news that counts. The regulatory maze. The enormous range of products now available to investors - pensions, life assurance, unit trusts, investment trusts, and equity plans. Of course there are up to date statistics. Features to help you. Pointers to market trends.

Financial Adviser is there to help you.

The one in the pink from the FT.

FINANCIAL ADVISER
A FINANCIAL TIMES PUBLICATION

BRIDGE

MY TWO HANDS today come from rubber bridge. See if you can do better than the original decoders. Try this first:

| | | | |
|---|-------|---|------|
| N | 10743 | E | |
| W | 075 | S | 0962 |
| | AJ2 | | 0854 |
| | 764 | | 1095 |

| | | | |
|---|-------|---|------|
| N | 0992 | E | 0962 |
| W | 765 | S | 092 |
| | AQ104 | | 986 |

| | | | |
|---|-------|---|-----|
| N | 0962 | E | 092 |
| W | 0992 | S | 092 |
| | A1073 | | 092 |
| | 753 | | 986 |

| | | | |
|---|-------|---|-----|
| N | 0962 | E | 092 |
| W | 0992 | S | 092 |
| | A1073 | | 092 |
| | 753 | | 986 |

| | | | |
|---|-------|---|-----|
| N | 0962 | E | 092 |
| W | 0992 | S | 092 |
| | A1073 | | 092 |
| | 753 | | 986 |

With both sides vulnerable, South dealt and opened with one spade. South doubled and North said two no-trumps. This is a conventional bid after an enemy takes-out double which says: "I have a good suit in your suit - you decide how high we go."

Feeling full value for his one spade, South bid four spades and all passed. West led the king of hearts, on which East dropped the seven. South took and considered the position.

He had a loser in each major suit and, with the diamond ace marked in West's hand, he was likely to lose two tricks in the suit. He would try to steal a trump trick, eliminate the clubs and throw West to with a second spade.

He played the knave of spades. West won, cashed the heart queen and switched to the seven of clubs. Winning in hand, South drew trumps and threw a diamond on dummy's fourth club. But he still had to lose two diamond tricks - one down.

A poor plan. Even if West had held ace and another spade, he would not have been taken by that feeble deception. The best chance - and that needed plenty of luck - was to play West for a singleton ace of spades as well as three clubs.

Winning the opening lead, he must play three rounds of clubs, then throw West to with a spade. West can cash his queen of hearts but now he has no good return.

A diamond lead sets up South's king and one of his losing diamonds can be thrown on dummy's fourth club. A heart return concedes a ruff discard and South will lose just one trick in diamonds.

The second hand was far easier:

played the nine) and threw his last diamond on the heart queen.

West took and led his six of diamonds. South ruffed and exited with his two of clubs. East won and another club defeated the contract.

The declarer should have got this one right. Instead of covering the diamond 10 with dummy's knave, he should allow the 10 to win.

He takes the next diamond in hand, plays three rounds of spades and ruffs the seven of hearts as before. Then, instead of the diamond ace to complete the elimination and throw West in with the queen of hearts, discarding his two of clubs.

Now West really is employed and must concede his 10th trick. A club return runs into the declarer's tenace, a heart lead yields a ruff discard. This allows dummy to ruff while the declarer discards his queen of spades.

E.P.C. Cotter

AN INVESTMENT PORTFOLIO WITHOUT SHORT DATED GILTS IS LIKE A HOUSE WITHOUT FOUNDATIONS.

Find out everything the Burrage Short Dated Gilt Fund has to offer on demand.

Short Dated Gilt Fund in Britain over the 5 months to March 1 1988 (Source: Money Magazine April)

Over that time, it outperformed the return from a typical higher-rate Building Society account by 15% for the ordinary-rate taxpayer and 44% for the 40% taxpayer (Source: Open Statistics). During the same period the FTSE 100 Shares Index fell by 22%.

Your money is always available

BURRAGE

UNIT TRUST MANAGEMENT LIMITED
117 Fife Street, London EC2M 3AL

01-480 7216

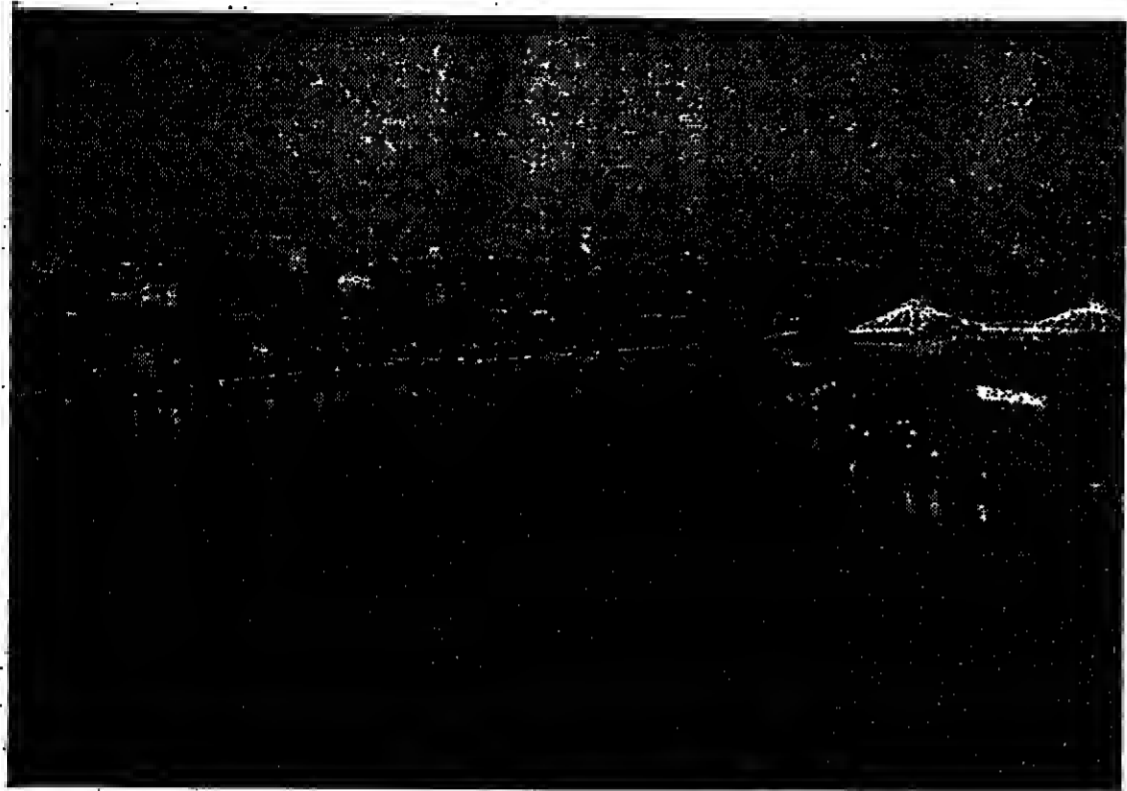
The Fund's return, on an Offer to Bid price basis, from launch on 13.07.87 to 21.08.88 was 4.6%. Please note that past performance is not a guide to the future and that the price of units can go down as well as up. Assuming no liability for Capital Gains Tax on profits from the Fund.

هكذا من الأهل

London Property

THE BELVEDERE

Chelsea Harbour



Where else can you see south to Crystal Palace, north to Hampstead, east to the City and west down the Thames valley towards Windsor. And have the river itself at your feet?

The Belvedere is the new landmark within a unique development, Chelsea Harbour. It contains eighteen apartments, each taking up an entire floor, with one to three reception rooms, three to four bedrooms, three bathrooms with marble walls and a Jacuzzi. The kitchens are fully fitted and have granite work tops. The balconies have the same stupendous views as the principal rooms.

The Belvedere lies at the heart of Chelsea Harbour, one of London's most remarkable and carefully planned new communities. There are 18 acres of shops, restaurants, leisure facilities, a five star hotel, gardens and a 75 berth yacht marina, all five minutes walk from the Kings Road.

Come and see for yourself.



P&O AND Globe
A joint development by P & O and Globe
Chelsea Harbour, London SW10 0QL
Open 10am-6pm 7 days a week
Ring 01-351 2300 for a brochure

Chelsea life from a different point of view



ROYAL COURT HOUSE

162 SLOANE STREET LONDON SW1
LONDON'S MOST PRESTIGIOUS DEVELOPMENT
Prices from £425,000 to £1,850,000 for a spectacular Penthouse.



40% SOLD or RESERVED

Twenty four superb apartments are being created in this most sought after and convenient location directly overlooking the extensive gardens of Cadogan Place. The apartments range from 2 Bedroom 2 Bathroom units to very spacious 5 Bedroom 5 Bathroom 3 Reception Room units.

The quality of finishes in the Reception areas, Kitchens and Bathrooms, will be unrivalled.



93 Knightsbridge, London SW1X 7RB 01-235 4166

MONARCH HOUSE



Monarch House is an exciting new development of luxury apartments offered for rental for the first time.

It is situated in the heart of Kensington opposite Holland Park benefiting from the superb shopping and transport facilities of Kensington High Street. The location offers easy access to the City or the West End, with Holland Park being only 30 minutes away. The amenities of Monarch House make it most suitable for the business executive and his family, there being extensive underground parking, 24 hr security and porterage.

Long or short lets. Prices from £350 per week.

AYLESFORD & CO
40 Kings Road, Chelsea, London SW10 0LH Telephone: 01-351 2383 Telex: 96048 Aylfsl-G

ST JOHNS WOOD NWS



A superb ambassadorial detached residence approached by its own private road and set in its own grounds. The property has been immaculately maintained throughout and is arranged on two floors only. There is also the benefit of the self contained staff lodge/guest lodge with garaging.

- Grand Ent Hall • Drawing Rm • Morning Rm • 2 Further Recep Rms • Lge Family Kit • Breakfast Rm • Master Bed • Dressing Rm • 2 1/2 Baths • 6 Further Beds • 4 Baths • Sep Office • Guest/Staff Cottage
- 2 Bod • 1 Recep Rm • Bath • Kit • Garaging Underneath •

FREEHOLD SOLE AGENTS

Bargets

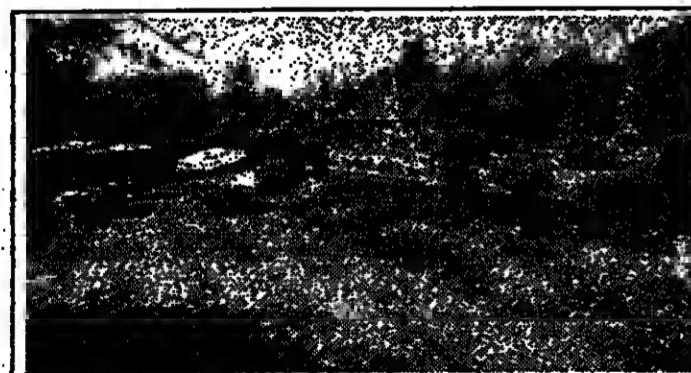
Tel: 01-402 9494 PRICE UPON APPLICATION

16 Park Rd, Regent Park, NW1 4SH Fax: 01-724 7035

LONDON

JOHN D WOOD & CO.

COUNTRY



OXONBUCKS LODGE 1600 sqm. Central London and surroundings. Oxfordshire. A superb country house, built in 17th century and completely restored. It has a superb garden, swimming pool, tennis court, and a superb location. It is a truly magnificent house, and a rare opportunity to own a piece of history. Call John Wood & Co. for more details.



WEST WINDSOR, BERKHAMPTEND, ESSEX 1600 sqm. A superb country house, built in 17th century and completely restored. It has a superb garden, swimming pool, tennis court, and a superb location. It is a truly magnificent house, and a rare opportunity to own a piece of history. Call John Wood & Co. for more details.



NEAR ESHER, SURREY Central London 17 miles. A superb country house, built in 17th century and completely restored. It has a superb garden, swimming pool, tennis court, and a superb location. It is a truly magnificent house, and a rare opportunity to own a piece of history. Call John Wood & Co. for more details.



WEST SUSSEX - LINDFIELD Horsham 10 miles. A superb country house, built in 17th century and completely restored. It has a superb garden, swimming pool, tennis court, and a superb location. It is a truly magnificent house, and a rare opportunity to own a piece of history. Call John Wood & Co. for more details.

London and Country Estate Agents
Country Department, 23 Berkeley Square, W1 01-629 9050



GROSVENOR MANSIONS

The maisonette comprises Reception Rooms, Kitchen, Master Bedroom suite with Bathrooms and Dressing Room, and another Bedroom and Utility Room.

BRUCE PARTNERS

A very special low built semi-detached house in Old Chelsea, giving superb family accommodation on three floors only with all four reception rooms and kitchen on the ground floor.

- Drawing Room,
- Dining Room,
- Study, Playroom,
- Library, Kitchen,
- Bathroom
- Breakfast (1 on suite),
- Garage, Utility Room, C.P.H.,
- Off Street Parking, Garden.

FREEHOLD For Sale
John Agent: Knight Frank & Rubley
Tel No. 01-624 9171

ST JAMES HOUSE, 13 KENSINGTON SQUARE, LONDON W8 5HG
01-937 9647 937 9684 Fax 01-937 4291

212 Tower Bridge Rd
London SE1 2UP

TOWER BRIDGE SE1
Superb New Luxury Apartments To Let

MONTHLY LIST AVAILABLE

01-402 2790

TRAVEL

OF ALL possible destinations, Tibet must be one of the most romantic. It is certainly the most tragic, for though it is now almost 40 years since the invasion by communist China, the Tibetans still refuse to accept subjugation. As a result, they find themselves faced with the prospect of being a minority in their own land.

This is because of the programmed diaspora of Han Chinese into Tibet, and while it is tempting to say that this represents nothing more than an ineluctable historical process - the digestion of a weak civilisation by its more powerful neighbour - no visitor possessed of the least sensitivity can fail to be moved by the spectacle. Nor should anyone be deceived by the likes of Edward Heath, the former Conservative premier, who says that reports of Chinese oppression are "grossly exaggerated." He is wrong.

In keeping with its reputation of inaccessibility, Tibet remains a difficult place to visit. The difficulties are not solely of a logistical nature but physical, too. The exigencies of travel at high altitude (Lhasa, the capital, stands at over 12,000 ft) should not be underestimated. However, the main problem lies in the attitude of the Chinese. On the one hand, tourists are recognised as an ideal source of hard currency. On the other, as with any other totalitarian regime, xenophobia conditions its approach to tourism.

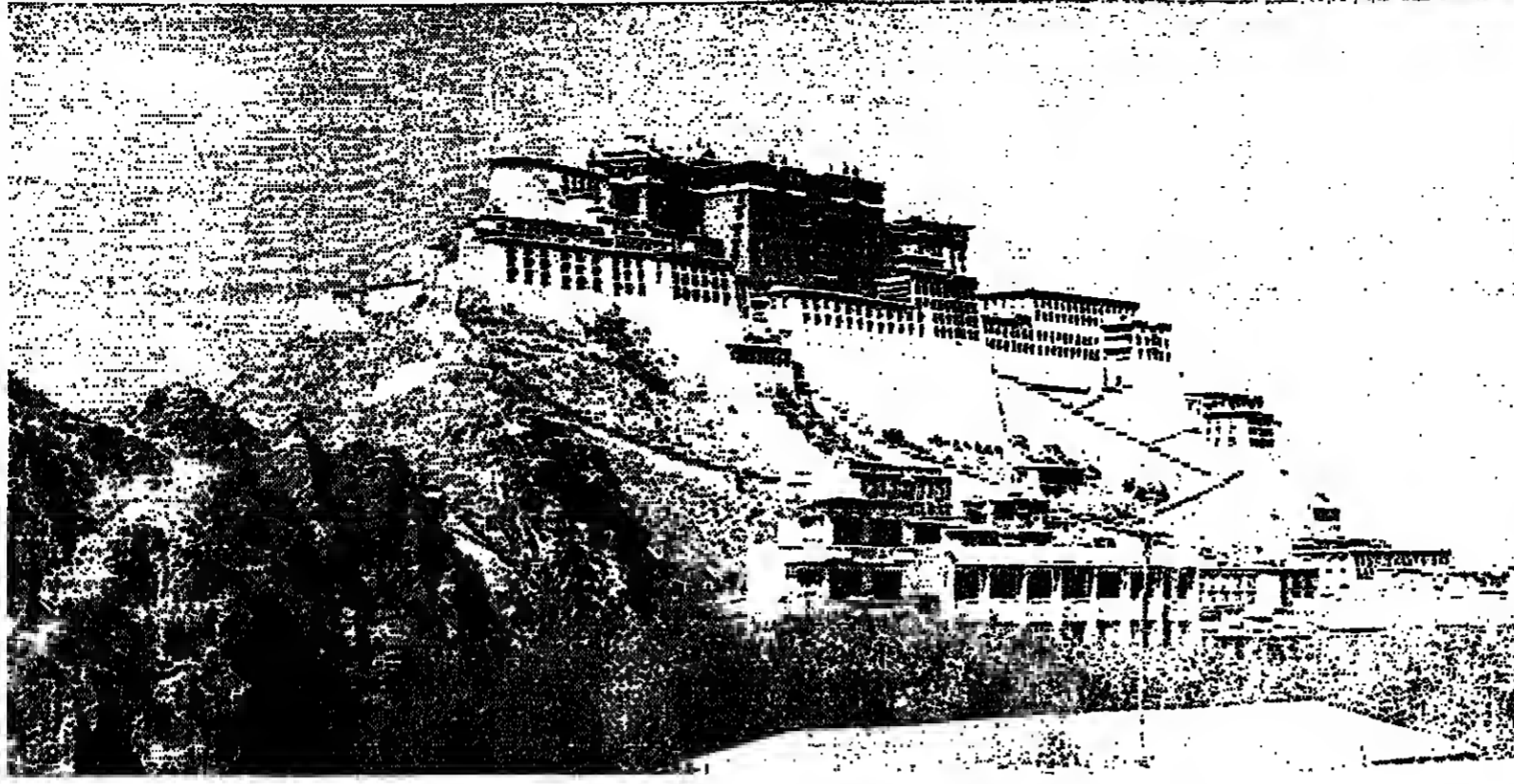
So much so that the recent uprisings in Lhasa were blamed about equally on "reactionary splittists" and foreigners. Now that Tibet is open for business once more, there has been a considerable tightening of regulations for tourists.

The main effect of this has been on individual travel. Theoretically, it is no longer possible to enter Tibet, other than on a group visa - though what constitutes a group is not entirely clear. I heard of one which consisted solely of a husband and wife. But such uncertainty only concerns those who seek to enter from mainland China. For those entering from Nepal, as I did, the regulations are clear and inviolable.

Now, visa applications have to be submitted at least one month in advance, accompanied by a non-refundable deposit of \$100 (\$55.50). In addition, CITs, the Chinese equivalent of Intourist, has increased costs across the board. Also, the exigencies of travel in Tibet will always discourage the average Cook's tourist.

There was nothing average about the group I travelled with. For a start, among the 14 of us were eight nationalities: one Briton, three French (all Parisians), two Swiss, two Danes, one Australian, three Germans, a very East Coast American woman and, most usefully, a refugee Tibetan travelling on a Nepalese passport.

Such a mixture did not favour the degree of control which the Chinese authorities sought to impose. Every time we stopped, the French refused to have anything to do with the published itinerary. The Germans refused to depart from it. The Swiss (who were French-speaking) formed an alliance with the Parisian contingent. The Danish couple wandered around in a



Potala Palace, former home of the Dalai Lama, in Lhasa

Tibet - a land of tragedy

deze. The Australian (a woman doctor) showed singular independence of mind. The American, with her Tibetan assistant (for he was taken along in that capacity), was always in difficulty with her numerous cameras. And I suppose that I was nowhere to be seen.

This made us all very unpopular with our Tibetan guide, who clearly feared for his job. We were warned repeatedly that our behaviour (ie, our willingness to conform) would determine the fate of future groups (our visa was numbered 001/88). But this we did not really believe as we knew that preparations to receive subsequent groups had already been finalised.

The only means of travelling to Tibet from Nepal is by road. There is, however, a plan to inaugurate a twice-weekly air service between Kathmandu and Lhasa. Should this ever get off the ground, which is somewhat doubtful, it might become possible to drive out and return by air. This would in many ways be preferable to covering the same route twice.

But to fly both ways would be a mistake. For a start, one would only see Lhasa, which is today more Han Chinese in character than Tibetan. Moreover, there is the altitude factor to consider. By road, the change is at least gradual. By air, it would be instantaneous. The fact that an American died last year from acute altitude

sickness for this very reason (he had flown in from Chengdu) indicates the seriousness of this matter. Even though we went by road, each of us was at least mildly affected and some quite seriously so: one of the French took a spectacular turn as we went over a 17,000 ft pass.

The distance between Kathmandu and Lhasa is almost exactly 1,000 km

other than in Thermos flasks. Occasionally this was found to be dirty. The food everywhere in Tibet is uniformly ghastly. Meat is certainly to be avoided. In fact, it behooves tourists to become vegetarians; but one does not go to Tibet for its cuisine.

Exactly what does motivate people to visit Tibet would be interesting to know. Judging by her frequent genu-

flexions at every holy place we visited, Tibet's esoteric Buddhism was the main draw for one of the Parisian women. The Australian, on the other hand, was on the look-out for what remained of pre-Buddhist shamanism.

Several people (most notably a German who had a video camera) were principally interested in taking photographs.

The American woman professed an interest in "anthropology," but this was clearly no more than an excuse for taking photographs. But as far as the Chinese were concerned, what people want to see is the monasteries. These are indeed spectacular, with their dim, buttermilk-lit interiors and row upon row of gilded Buddhas standing in mute benediction. But it is only the pilgrims, of whom there were

hundreds to be seen - some neatly dressed in exotic national costume, many ragged and weary after long journeys on foot - who lend a tremble of life to these once vibrant places.

There are few monks any more. Those that remain are mostly old and act only as caretakers. No longer is the curious dissonance of horn and cymbal to be heard in daily propitiation of tremendous gods. Nevertheless, the Chinese make much of what remains. They speak of "religious freedom" and point to the restoration work being carried out. The Tibetans have a word for this: "tzuma" - eye-wash. And indeed, it does not take much inquisitiveness to see that this is the case.

Unfortunately, few people do take the trouble. Indeed, it is sad but true to say that many who visit Tibet will gain little more than a handful of photographs and a new stamp in their passports. Of the country they will see only what the Chinese want them to see. How many, I wonder, will look into the area cordoned off behind the Norbulinka, the Dalai Lama's summer palace? And would their eyes be opened when they saw the mountains of priceless religious artefacts - mammoth bronzes stripped of their jewels and sledge-hammered out of shape - left abandoned like so much scrap metal? How many will try every door of

Out of season

Michael Thompson-Noel looks at a guide to low-season travel

BUY WHEN the market's falling, sell when the market's rising. This is such a fundamental law of nature that I am convinced it underpins the formation of great wealth on the mega-hours that passes at the centre of the galaxy.

And what is good for markets is just as good for travel, where the law of contrariness - travel out of season - can yield exceptional bonuses. This truism has been grasped by two perceptive writers, Roger Hicks and Frances Schultz (one of them British, the other American, but now, coincidentally, based in California) who have just produced *The Out-of-Season Holiday Guide* (Christopher Helm, £5.95), which concerns itself with the pleasures and the benefits of shoulder and low season travel.

The first part of the guide covers where to look, what to look for and what you get: the second is a guide to out-of-season destinations, covering much of Europe, North America, North Africa, the popular bits of Asia, Australia, New Zealand and the South Seas. The guide is addressed to travellers on both sides of the Atlantic.

As the authors say, there are plenty of good reasons for travelling out of season. It is a lot cheaper than the high season; everywhere is much less crowded, and many places are actually better out of season (the weather is less oppressively hot and the landscape may well be greener). In other words, you can begin to see just why the area became popular in the first place.

Fourthly, the contrast between even tolerable weather abroad and truly awful weather at home can make an out-of-season holiday all the sweeter. Finally, for gentle souls like me, there is the considerable bonus of melancholy. I once spent a week at Bournemouth Beach, in New South Wales, in the unfashionable calm of June. I also spent a month in Santa Monica in that unglorious lull before the Oscars (March, mostly, plus the first bright week of April). And how I did enjoy them.

Alexander Norman sees the effects of 40 years of repression

(621 miles). This represents a reasonably leisureed four days' driving. Among the overnight stops are Shigatse and Gyantse, Tibet's second and fourth largest cities respectively. En route, the degree of comfort is determined largely by the state of the road (the minibuses supplied by the Chinese are far superior to anything one can expect to find elsewhere in Asia).

After severe weather, the roads can deteriorate considerably, being unmetalled from the Nepalese border until the outskirts of Lhasa. During winter, it often becomes impassable. One's comfort after travelling is equally variable. The hotels range from the merely bad, by Western standards, to the absolutely awful. Some have holes in the ground for lavatories and none outside Lhasa has hot water,

lections at every holy place we visited, Tibet's esoteric Buddhism was the main draw for one of the Parisian women. The Australian, on the other hand, was on the look-out for what remained of pre-Buddhist shamanism. Several people (most notably a German who had a video camera) were principally interested in taking photographs.

Motor Cars

Advertisement for Cooper Bishopsgate motor cars. Features a BMW logo and text: 'SUPERB SERVICING THAT PAYS DIVIDENDS.' Address: Cooper Bishopsgate, 25-26 Cannon Street, London EC4A 4Y.

Advertisement for Porsche Type 959. Text: 'FOR SALE 1971 White Immaculate condition 44,000 miles £4,300 o.n.o.' Contact: Ring 594-2551 (After 6 pm).

Advertisement for a Karmann Ghia Coupe (1600 CC). Text: 'FOR SALE Karmann Ghia Coupe (1600 CC) Type 1, 1971 White Immaculate condition 44,000 miles £4,300 o.n.o.' Contact: Ring 594-2551 (After 6 pm).

Company Notices

Advertisement for Societe Concessionnaire Francaise Pour La Construction. Text: 'SOCIETE CONCESSIONNAIRE FRANCAISE POUR LA CONSTRUCTION ET L'EXPLOITATION DU TUNNEL ROUTIER SOUS LE MONT-BLANC FRF 450,000,000 FLOATING RATE NOTES 1987-1997 OF WHICH FRF 300,000,000 has been issued as an Initial Tranche.'

WWF advertisement titled 'Look after this planet, it's the only one we have.' Includes a photo of a young boy and text about environmental conservation. Contact: WWF International, World Wide Fund for Nature, 27, Bedford Square, London WC1B 3PH.

Holidays & Travel

Advertisement for South America in the Caribbean. Text: 'SOUTH AMERICA IN THE CARIBBEAN. With the soaring peaks of the Andes and the dense jungles of the Orinoco, Venezuela is very much the gateway to South America. It's also a Caribbean paradise, with 1,700 miles of coastline and beautiful palm-fringed beaches. You can fly there with VISA, on a twice-weekly DC-10 service from London to Caracas. Send for information to: VISA Venezuelan International Airways, 19/20 Grosvenor Street, London W1X 9FD. Tel: 01-493 5573 Telex: 28621.' Includes VISA logo.

Advertisement for 15th Century Chateaufort Devon Longhouse. Text: '15th Century Chateaufort Devon Longhouse. Beautiful Grade II listed Tudor farmhouse in superb country setting, recently refurbished to top standard. It makes N.W. Easter, High Barn, house & low doors. 3 delightful en-suite rooms with TV & video, 4 pokers. Excellent food oven, plumbed, laminated, stainless steel, H.S.P.O. Servo or small children or unaccompanied. RICHARD BISHOP TEL: (0363) 350'

Advertisement for Personal services. Text: 'ALL DATES "Quality Cottages" along dramatic Welsh Coastline. Pets Free. Col. Broch: (03483) 7871' Author: Your book published. For details: FT, Excelsior Press, 1 Elystan Place, London SW3 3LA

Advertisement for Clubs and Eye services. Text: 'CLUBS has outwitted the others because of a policy on fair play and value for money. Supper from 10-3.30 am. Disco and top musicians, glamorous hostesses, exciting floor shows. 189, Regent St., W.1. 01 734 0657'

Advertisement for Porsche Type 959. Text: 'PORSCHE TYPE 959 Silver, leather bordeaux red. - To highest bidder' Reply Box T6923, Financial Times, 10 Cannon Street, London EC4A 4BY

Advertisement for Legal Notices. Text: 'No. 891602 of 1988. IN THE HIGH COURT OF JUSTICE CHANCERY DIVISION IN THE MATTER OF: GRAND METROPOLITAN PUBLIC LIMITED COMPANY and IN THE MATTER OF: THE COMPANIES ACT 1985'

Advertisement for Classified Advertisement Rates. Table with columns for Appointment, Commercial and Industrial, Property, Residential Property, Business Opportunities, Businesses For Sale/Wanted, Personal, Motor Cars, Travel, Contracts, Tenders.

Advertisement for Banque Internationale a Luxembourg. Text: 'BANQUE INTERNATIONALE A LUXEMBOURG Societe Anonyme' Notices to holders, including notices relating to the quarterly determination of interest rates, will be published only in "L'Agence Economique et Financiere" (Paris) and "The Financial Times" (London).

Advertisement for Classified Advertisement Rates. Table with columns for Appointment, Commercial and Industrial, Property, Residential Property, Business Opportunities, Businesses For Sale/Wanted, Personal, Motor Cars, Travel, Contracts, Tenders. Includes text: 'Premium positions available £10 per Single Column cm extra (Min 30 cms) All prices exclude VAT For further details write to: Classified Advertisement Manager FINANCIAL TIMES, 10 CANNON STREET, LONDON EC4A 4BY'

Advertisement for Full Colour Residential Property Advertising. Text: 'Full Colour Residential Property Advertising. APPEARS EVERY SATURDAY Rate £40 per Single Column Centimetre. TEL CAROL HANEY 01-489 0030'

Handwritten note at the bottom of the page: 'Handwritten text in a box, possibly a signature or date.'

London Property

Where nothing has been overlooked.



Except the park.

Beverly House, overlooking Regent's Park presents a unique opportunity to invest in a new London home where every apartment, from a studio to a penthouse, is finished to a magnificent standard. The generous proportions, the security, the architecture, the service facilities and underground car park, not to mention the cable T.V. all reflect the attention to detail and care this development has received. What's more the whole development looks out on 472 acres of London's most prestigious park, yet has just five minutes away from the West End.

Beverly House
Park Road, Regents Park

HAMPTONS

6 Arlington Street, London SW1A 1RB. Telephone 01-493 8222

Dockland Property

Presenting a new force in Docklands.

We are pleased to announce as from 31st May our Docklands office will be open at 7 The Mall, Free Trade Wharf, 350 The Highway, London E1 9HU
01-790 3311

SALES-ACQUISITIONS-DEVELOPMENT CONSULTANCY
VALUATIONS-MARKETING-FINANCIALSERVICES

HAMPTONS

PRIME FORCE IN PROPERTY

Head Office: 6 Arlington Street, St. James's London SW1A 1RB 01-493 8222.

DOCKLANDS PROPERTIES
The Residential Property Pages will focus on this subject on 28th June. For further information please contact Carol Hanay on 01-438 0030

London Property

A DEVELOPMENT BY WESTGATE LAND

KINGSWATER PLACE
BATTERSEA CHURCH ROAD
LONDON SW11

AN EXCLUSIVE COURTYARD DEVELOPMENT OF FOUR LUXURY HOUSES TOGETHER WITH ONE AND TWO BEDROOM APARTMENTS

- Private Parking • High quality kitchens with integrated appliances • Superbly appointed bathrooms • Entryphone security • Wrought Iron Gates leading to cobbled courtyard.

Prices from £99,950.



PRUDENTIAL 177/179 Laverdale Hill London NW11 1TU Tel: 01 424 3344

SAVILLS



HANS PLACE, SW1
This exceptional masterpiece, impeccably presented throughout, with stunning 30' drawing room and separate media flat. Drawing room, dining/living room with kitchen, 5 bedrooms, 4 bathrooms (1 en suite), excellent storage, utility room, patio and use of garden. 59 YEARS Offers in the region of £1.25 million

01-730 0822 139 Sloane Street London SW1X 9AY

Dockland Property

CARLETON SMITH & CO.

KEEPER WHARF, LIMEHOUSE, E14 £275,000
A duplex penthouse in an exceptional warehouse conversion with far reaching river views. Superior proportions and roof terrace. Reception, Dining room, Kitchen, Study, 2nd Bedroom, Bathroom, Parking.
FRESHOLD

CONCRETE WHARF, BARKING, E14 £125,000
Three bedroom warehouse apartment, with stunning river views. May original features. Ideal for river boat and local amenities. Reception, Kitchen, Shower, Parking.
FRESHOLD

ROSELYDOWN LANE, TOWER BRIDGE, SE1 £285,000
Delightful three storey townhouse in convenient location within walk of the City, and adjacent new shopping centre. An investment in the future for letting. Living room, Kitchen, Bathroom, Shower, Garage.
FRESHOLD

CODLING CLOSE, WAPPING, E1 £333,999
Family home in the heart of Wapping. Good access to City, shopping and transport. Three bedrooms with roof top garden. Immediate order: Reception, Kitchen, Bathroom, Car Parking.
FRESHOLD

HAWESMORE MEWS, ST. GEORGES, E1 £135,000
A charming mews home with wonderful outlook over church and grounds. Close to Shadwell Docklands Light Railway and Tobacco Dock and within five minutes of the City. Reception, Study, Bedroom, Bathroom, Shower, Kitchen, Car Parking.
FRESHOLD

99 East Saffordfield, London E1 5AR
Tel: 01-488 9017

DOCKLANDS - Historic Narrow Street, Limehouse

A premier location with easy access to the City. Probably the finest and most innovative of all Docklands developments, set around a landscaped courtyard and providing private covered parking and sophisticated security.
A SUPERB INVESTMENT IN A UNIQUE ENVIRONMENT
ROY SQUARE, Narrow Street, Limehouse, E14
A development by Roy Properties Ltd.
SHOW UNIT Open every day 12 noon to 6 pm
Telephone: 01-538 4520
Studio one, two & three bedroom apartments.
Prices from: £118,000
Sole Agents
ENGLAND PARTNERSHIP
01-402 2333



Country Property

NUNEHAM HOUSE NUNEHAM COURTENAY OXFORD



A Magnificent 18th Century Mansion
38,000 square feet set in 39 acres
Currently used as a Conference Centre with many other use possibilities.
125 Year Lease For Sale

NELSON BAKWELL

Westland House
17c Curzon Street
London W1Y 7FE
Telephone 01-629 6501

SMITH-WOOLLEY CHARTERED SURVEYORS

8 Oxford Street
Woodstock
Oxford OX1 1TP
Telephone (0933) 611624

Westlynn

An Exclusive Development of LUXURY APARTMENTS



DEVISDALE ROAD, BOWDON, CHESHIRE

Lavish 2 and 3 bedroomed new and Victorian converted apartments within extensive grounds in a most picturesque and select area 5 miles to Manchester Airport, 3 miles to motorway network and 1/2 mile from Hale and Altrincham.

These individual architect designed apartments ranging from 1200 ft² - 2500 ft² in area enjoy NHBC guarantees.

PRICES FROM £150,000

For further information please contact:-
North Derbyshire Property Ltd at
061-926-8313 or 061-941-4806
OR
The Agents Taylor Jenkins at 061-941-2001

PRUDENTIAL

PRUDENTIAL



SURREY - HINDHEAD -

Hastemere (Wokingham 57 miles) 2 miles
A substantial Victorian family house now requiring some refurbishment in a magnificent rural setting, directly adjoining and with views across National Trust land. 8 bedrooms, 2 bathrooms, 3 reception rooms, kitchen/breakfast room, double garage, tennis court, swimming pool, superb 3 1/2 acre grounds including paddock and woodland.
Guide: £325,000 freehold
Hastemere Office: 28 High Street. Tel (0438) 2345

JAMES HARRIS

JEWRY STREET, WINCHESTER 09621 841843



DURLEY, NR. BISHOPS WALTHAM

Guide: £325,000

An exceptional luxury bungalow of totally unique conception, situated in a highly convenient area close to major commercial & industrial centres and yet surrounded by open countryside. Drawing Room, Large Kitchen, 34 Bedrooms including Master Suite with ensuite shower room, Bath, Study/Bedroom 4, Ensuite/Utility Room, Lobby, Garage Block with Sauna and Cloakroom, Gardens, etc.

Country Property

SOTHEBY'S INTERNATIONAL REALTY



Garinish Island, Co. Kerry, Killarney 27 miles
A 57-acre island, a quarter mile off the coast in one of the most beautiful parts of SW Ireland, is the setting for a world-famous sub-tropical garden with delightfully laid-out feature walks. The property includes a whitewashed 5 bedroom house, a second 7 acre island and approximately 30 acres on the mainland.

SOTHEBY'S INTERNATIONAL REALTY
Geography, Newtownards, County Down
Telephone: (024 774) 668 or London (01) 638 8080
51 Dawson Street, Dublin 2. Telephone: (0001) 771177

CLUTTONS

Somerset/Wiltshire Border
Bath 12 miles. Bristol 22 miles.
An outstanding small Country House imaginatively created from 2 handsome 17th Century Stone Barns. Quietly situated in unspoilt village close to Church. Modernised to an excellent standard with many interesting period features including beams and stone fireplaces.
Hall, Cloakroom, Drawing Room, Study, Dining Room, Magnificent Kitchen/Family Room, Master Bedroom with en suite Bathroom, 4 further Bedrooms, 2 Bathrooms. Double Garage, Garden and Paddock.
In all about 2 1/2 Acres. Offers around £345,000

Julia Agents:
Cluttons Bath Office Tel: (0225) 65611
and Crisp Conley Tel: (0225) 42621

127 Mount Street, Mayfair, London W1Y 5HA, Telephone 01-499 4155
Head Office: 45 Berkeley Square, London W1X 6DB
Also Chelsea, Docklands, Kensington, Apsley, Bath, Canterbury, Carlisle, Edinburgh, Harrogate, Heywood Heath, Oxford, Wilt, Bolton, Dubai, Oman, Sharjah.

International Property

BUY ABROAD WITH CONFIDENCE



Buying a second home abroad can be fraught with problems. The uncertainty of dealing with unknown builders, lawyers, legal complications and so on can be alarming. Now Ellis & Co, one of London's most professional Estate Agency groups have brought together, in London, a dedicated team of experts to offer advice and answer your questions regarding all aspects of buying abroad.

MAJORCAN PROPERTY FORUM
Friday 3rd June 12 pm - 6 pm
Saturday 4th June 10 am - 4 pm
Sunday 5th June 11 am - 4 pm
If you'd like to know more about buying property in Majorca, come to the Majorcan Property Forum, to be held at the Hilton International Hotel Regents Park, Lodge Road, London NW8 on Friday 3rd, Saturday 4th and Sunday 5th June. Sponsored by Ellis & Co, in association with Ferrer, you will be able to meet and talk with the experts on all aspects of buying property in Majorca. A unique relationship with the Bank of Bilbao enables Ellis & Co to offer a special financing package, with mortgages of up to 4% of the purchase price secured on the overseas property and not on your home in Britain. Prices from £40,000 - £200,000. Phone 01-458 3252 for more details, or ring the operator and ask for freephone Ellis & Co. The Overseas Property Professionals

Country Property

BIDWELLS 0225 841842

RESIDENTIAL

NORFOLK

Dillington Hall - East Dereham

March 17 miles Dereham 11 miles



A most attractive Residential & Agricultural Property
The Grade II Listed 18th Century House, 5 Reception Rooms, 19 Bedrooms, with swimming pool, grass tennis court, and stable. 4 landscaped gardens, mature and traditional landscaping.

FOR SALE BY PRIVATE TREATY

Stone Cross, Tring, Hemel Hempstead, Herts. SG2 2SU

Mayfair and West End Properties

48 CHEZON ST. MAYFAIR, W1 FAX: 01-493 1308

PARK ANNE STATES

Grosvenor Square - 82 Year Lease



Stunning first floor flat overlooking garden square. Fully refurbished Ambassadorial accommodation boasting high corniced ceilings, Italian marble silk wall coverings & fireplaces. Venetian chandeliers. Ent hall, 4 beds, 3 baths, 2 res. full length balcony. £1,650,000 Sole Agents.

01-629-0763

Ellis & Co.

London Property

Knights Frank & Rutley
 Estate Agents
 181 Mount Street, W1
 01-824 8171
 KENSINGTON 01-938 4311
 WAPPING 01-480 6848

Hampstead Heath, NW3
 A substantial period mansion requiring modernisation, standing in about 1 1/2 acres of landscaped gardens in a quiet cul-de-sac and directly adjoining Hampstead Heath.

8 Bedrooms, 2 Bathrooms, 3 Further Bedrooms, Dressing Room, Dining Room, Billiard Room, Large Entrance Hall, Staff Sitting Room, 2 Bedroom Cottage, Coach House providing Garage, Hard Tennis Court.

Freehold
 Estate Agent: 01-824 8171 (07794)

50 OFFICES IN 5 CONTINENTS

WANDSWORTH COMMON

Possibly the finest Victorian double fronted house in the area, restored and modernised sympathetically into an exceptional standard, capturing the atmosphere and elegance of a country house, yet within easy reach of Chelsea and the Westend.

Drawing Rm, Morning Rm, Dining Rm, Playroom, Kit, B'fast Rm, Study, 6 Dble Beds, 3 Baths (1 en-suite), Cloakroom, Utility Rm, Cellar, 60 x 40ft rear garden, Dble garage, GCH. £550,000 Freehold.

FRIEND & FALCKE

4 Bellevue Road, London SW17 7EG. Tel: 01-767-0086

CZECH & SPEAKE
 OF JERMYN STREET

MAKERS OF FINE BATHROOMS

The Czech & Speake Bathroom, as mentioned in discriminating estate agents' particulars, is the only bathroom brand to give added value to your home

Stockists, information and brochures: 01-980 4567

BRUCE
 PARTNERS

ARE YOU LOOKING FOR A RENTAL PROPERTY IN CENTRAL LONDON?

We have a large selection of property, from family houses to one bedroom flats, furnished and unfurnished, short and long lets, in every price range.

PLEASE CONTACT AMANDA NEWBERY OR KATE EARLE ON 01-837 9684

27 JAMES HOUSE 13 KENSINGTON SQUARE LONDON W8 5HG
 01-937 9647 927 9684 Fax: 01-938 4291

Knights Frank & Rutley
 Estate Agents
 181 Mount Street, W1
 01-824 8171
 KENSINGTON 01-938 4311
 WAPPING 01-480 6848

181 Mount Street W1
 Going for a song in Berkeley Square. An outstanding fifth floor apartment with wonderful views south over Berkeley Square.

4 Bedrooms, 3 Bathrooms, Drawing Room, Dining Room, Study, 24 hour Porterage, Lift. Substantially discounted price due to unusual lease provision. Recently let furnished at £2,000 per week (low weeks), 26 year Lease. Rent £17,000 p.a. (including 1990). Offers in excess of £365,000.

Estate Agent: 01-824 8171 (07887)

50 OFFICES IN 5 CONTINENTS

PROPERTY

John Brennan on the changes taking place in a central London district with perennial international appeal Residents make a comeback in Mayfair

MAYFAIR HAS retained its pole position as the most expensive property on British versions of the Monopoly board for half a century. Yet even this central section of London's West End has been subject to ebbs and flows of fashion since housing started to fill out the land now bordered by Oxford Street and Piccadilly, and stretching east from Park Lane to Regent's Street.

The area was a playground of the rich in Restoration England when Society, with a capital S, was drawn to live in this stretch of suburban countryside north of St James's Palace. There is a sense of the area in the complaint by Robert Harley, the Earl of Oxford, to architect Jonathan Swift that, just across Piccadilly in White's Chocolate House in St James's Street, young noblemen were "being fleeced and corrupted" by "fashionable gamblers and profligates."

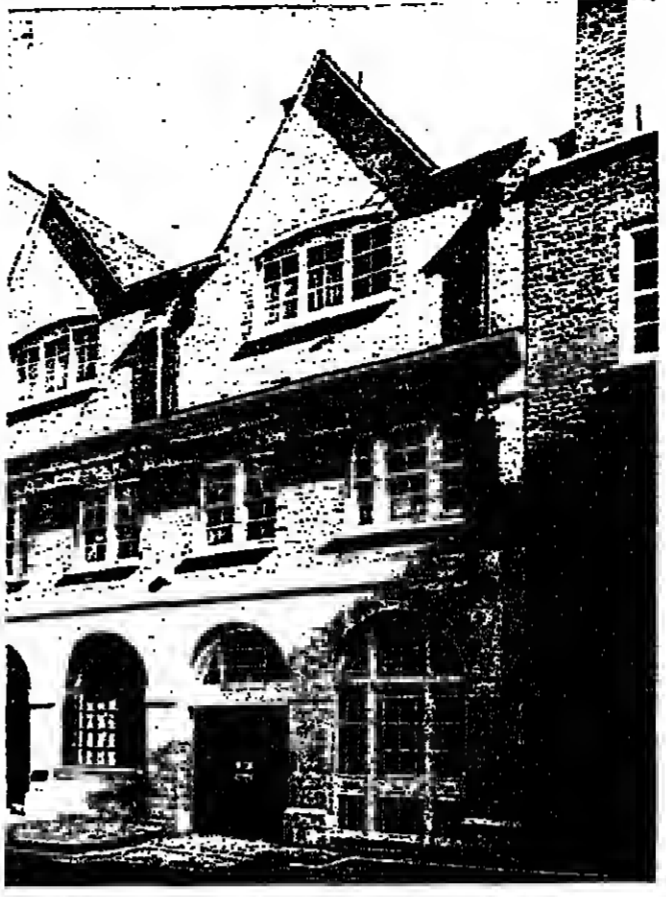
Gradually, building work covered the fields beyond the palace so that, by the time of George I, the area of Mayfair east of New Bond Street had filled with town houses. A further ribbon of development ran along Piccadilly to the edge of Hyde Park and in sight of the tall gates of the new turnpike road to Exeter - today's Knightsbridge.

Much of the street plan of present-day Mayfair was completed by the time of the Napoleonic wars. But residential development continued, with earlier houses being stretched and expanded, eating up the garden areas bit by bit and adding extra floors to become even larger mansions.

Occupied as town houses in the social season, and often left with a skeleton staff for the rest of the year, nearly as many Mayfair mansions were rented regularly as were owned directly by their periodic occupants in the last years of Victoria's reign and into the high season of the court of Edward VII.

The area's international appeal is not new, either, and at the turn of the century it was (as historian Asa Briggs reports) the common complaint that Park Lane and the vast houses beyond had been "invaded by South African diamonds and gold kings, who were accused by their West End enemies of appropriating it exclusively for their own use."

The brief era of Edwardian opulence, when "colonial plutocrats" and "American millionaires" rivalled and out-shone Mayfair's traditional residents with their exuberant intrusion



A mews conversion at 12 Rex Place, Mayfair W1, where Harrods Estate Office (01-409 9200) is asking £390,000 for a three-bedroom flat and £275,000 for a flat with two bedrooms, both on 48-year leases.

into the London social season, came to an abrupt end with the First World War. Far fewer of the great houses were drawn into the brief, strained social reprise of the 1920s. By the Thirties, few families had the giant ballrooms and endless warrens of servants' quarters of the larger houses.

The mid-war years saw many of the great houses sub-divided into flats or fading into use by a succession of clubs. The residential exodus during the Second World War resulted in Mayfair properties being drafted into use as temporary homes for a dozen governments in exile, office retreats for companies bombed out of the City, and temporary bases for a mass of civil and military administration departments.

Permits for around half of this temporary office space expired in 1973 but the area's residential population has continued to decline, falling from more than 300,000 in 1951 to below 200,000 today. The present 1,131 office properties of all sizes mean that just under a third of Mayfair's accommodation remains in residential use. As the balance of the temporary office consents expire in 1990, Westminster City Council's policy is to use the opportunity to return land and buildings to permanent residential use wherever possible.

In practice, the council's approach has been to consider each case on its merits and to negotiate settlements with the major freeholders in the area. This has meant keeping to the central policy of restoring as much permanent residential space as possible, but accepting that a number of the biggest former houses are just too large to be turned back into homes without architecturally disruptive subdivision.

Westminster has also tried to deal with the ending of the consents in a way that causes the least disruption to the commercial tenants of nearly 1m sq ft of space. The council's recent deal with the British Petroleum Pension Scheme, which vies with the Grosvenor Estate as Mayfair's major landlord, helps to show how this policy is being applied.

About half of the properties affected by the consents on BP's estate are to revert to residential use, a selection made on the basis of the buildings' size and suitability for conversion. Smaller, self-contained buildings, and properties where it is possible to have separate residential access to space over commercial accom-

modation, add up to a release of seven houses; 14 flats with independent access; a further four directors' flats atop offices; and six more houses and flats converted from mews properties not affected by the consents.

Applying the same approach to the planning status of the remaining temporary offices suggests that there are unlikely to be many more than 100 extra houses and flats available in Mayfair in the next few years, which puts to rest fears that the local housing market is in any danger of being swamped. In any event, while the queue of would-be Mayfair residents might be shorter than that for the equally-fashionable and less commercially-intruded areas of Belgravia and Knightsbridge, demand is certainly sufficient to absorb any homes likely to emerge from the planning changes.

One of the problems for West-

main home elsewhere, and that a third of those who use the area as a second home come from outside the UK.

All this underlines the impression of Mayfair as an ultra-expensive but no more than part-time residential area, full of properties lying vacant for much of the year. That is reason enough to ease Mayfair of most people's house-hunting lists. And yet, as Mayfair estate agent Anthony Lessman says, it is now possible to find cheaper flats in the area than in parts of north Kensington. He is confident enough about a revival of residential demand to have converted the former United Bank of Kuwait office in Davies Street into his new office (01-499 3434).

As for the theory that Mayfair has its share of bargain homes, a two-bedroom flat with two reception rooms on a 90-year lease and selling for £225,000 might not strike the average first-time buyer exactly as cheap, but it does belie the impression that this is millionaire territory exclusively. That particular property is in Shepherd's Market, an area known to attract members of the oldest profession but one which, as Lessman says, "has lots of other things going on and is one of the few places in central London with a real village atmosphere."

There is a similar-sized, long-lease, two-bedroom flat in North Audley Street on his books for £260,000. Other properties include one of the last of the full-scale mansions on the market, at 54 South Street, where the asking price is a demanding £2.5m; and 6,000 sq ft of palatial apartment space on the south side of Grosvenor Square where £3m is sought for an 80-year lease.

Lessman adds: "People such as the Satchels (of advertising agency fame) have moved back into Mayfair and, as prices have risen elsewhere, a lot of people who wouldn't even have thought of looking here are beginning to see that they can live in the centre of the West End and that it's not all offices and hotels."

In her latest summary of the price of properties sold by Savills, Victoria Mitchell, head of the agency's London residential division, gives a guide price of around £220,000 for a good, one-bedroom flat in Mayfair or nearby Belgravia and Knightsbridge. This is 10 per cent up on the 1987 guide price. She would expect an "excellent" two-bed, two-bath apartment or small

house to cost around £425,000 now, and a five-bedroom home to sell for around £1.7m.

In Mayfair, as in the rest of prime central London, Mitchell uses the agency's sales evidence - showing prices averaging £381 a sq ft for older property and £359 for new-built space - to conclude: "Without doubt, it would seem that it is possible to achieve better value for money by buying a house... and that the best value for money can be achieved if one is prepared to do without the luxuries of a newly-developed property, which is over 62 per cent per sq ft more expensive than its older house counterpart."

Full houses are rare, but getting older stock is easier than finding new in an area so heavily conserved as Mayfair; and there is a relatively active turnover of what proves, perhaps surprisingly, to be a broad range of property types. Property-selling solicitor Hughes Hooker (01-499 3214) has a studio flat in Charles Street for £119,500 on a 63-year lease; a big two-bed, two-bath-room mansion flat in North Audley Street for £315,000 over 61 years; and a smaller two-bed flat with a 220-year lease, for £249,950.

Hughes Hooker also has its share of first-plus properties in the area; but it is the number of comparatively less-expensive flats that help to undermine the general impression that Mayfair is the sole preserve of business tycoons and oil sheiks.

At £585,000, Road Cumningsham (01-730-0199) has a two-bed flat on a 61-year lease which takes up the whole second floor of the house in Charles Street that once housed William IV's mistress; and which later justified a less controversial blue plaque as birthplace of Lord Rosebery, a 19th century Foreign Secretary and Prime Minister. Kevin Ryan at Harrods Estate Office (01-409-9200), having sold a house recently at 3 Audley Street for £1.3m just 10 working days after the buyer first viewed the property, has an equally broad range of flats from £250,000 up.

One property type that is more expensive consistently in Mayfair than in any of the other high-fashion districts is that of a flat - a garage. About £26,000 m.a. starting point for the few parking spaces available in or near to the mansion flat blocks; and Harrods has priced at £45,000 the single garage being sold along with a two-mansions conversion of a mews house in Rex Place.

Mayfair and West End Properties

PRUDENTIAL **HAMPTONS**

40 Connaught Street Hyde Park London W2 2AB Tel: 01-262 5060 Fax: 01-724 4432

4 Arlington Street St. James's London SW1A 1RB Tel: 01-493 8222 Telex: 25341 Fax: 01-491 3541

NO ONE ON THE PARK

Final phase now available

2 to 5 bedrooms

APARTMENTS FROM

£275,000

TO

£680,000

SHOW FLAT OPEN DAILY

ONE PORCHESTER GATE KENSINGTON GARDENS W2

PRUDENTIAL
 Property Services

London Residential London Residential London Residential London Residential London Residential

46 UPPER GROSVENOR STREET MAYFAIR W1
 £625,000 - £750,000

Two superb apartments in this prestigious sought after location, adjacent to Grosvenor Square. Both are decorated to an exceptional standard and have 3 bedrooms, 2 bathrooms, reception room, dining room, guest, cloak, kitchen. One of the apartments has a large 45' x 18' south facing private roof terrace. Both have 48 year leases.

ROSEBURY CHARLES STREET, MAYFAIR W1
 £525,000

Superbly decorated and furnished apartment in this successful modern development situated on the 4th floor with its own underground parking space. 2 bedrooms, en-suite bathrooms, shower room, reception room, kitchen, utility room, entrance hall, portico, independent gas CH and HW 97 year LH. Price includes entire contents.

GREENHAVEN COURT W1
 From £150,000 - £265,000

A superbly refurbished development in this extremely central location, of ten carefully restyled apartments. The flats comprise some 900 sq ft with 2 bedrooms, 2 bathrooms (1 en-suite), reception room, kitchen/breakfast room. Amenities include lift, marble principal bathroom, German kitchen, independent CH, secondary glazed windows, a welcoming entrance hall and some parking spaces to purchase. There are two show flats open. 11am - 4 pm daily

HYDE PARK ESTATE W2
 £130,000 - £440,000

On the instructions of the church commissioners A selection of one - four bedroom apartments in this serene central location.

MAYFAIR OFFICE 01 629 4513
 HYDE PARK OFFICE 01 262 5060

Harrods
 ESTATE OFFICES

CHRISTFIELD HOUSE W1
 High on the 7th floor above residential Mayfair, a bright, beautifully presented flat with superb views. 2 Bedrooms, 2 Bathrooms (1 En Suite), Reception Room, Pinof Kitchen, Lift, 24hr Porterage. 121 years £265,000

GREEN STREET
 A good sized north facing flat and second floor units close to Park Lane and Hyde Park. 3 Bedrooms, 2 Bathrooms (1 En Suite), superbly appointed Drawing Room, Dining Room, Kitchen, Cloakroom. 51 years £250,000

QUEEN ANNE STREET W1
 A stylish modern period apartment with panoramic skyline views most conveniently located in the heart of the West End. 3 Bedrooms, En Suite Shower Room, Bedrooms, Large Reception Room, Italian Kitchen, use of large Roof Terrace, Lift, Porter. 63 years £295,000
 01 409 9270

CLUTTONS

GROSVENOR SQUARE, W1
 A fine 6th fl Apartment with views over the square within a prestigious block. Recp Hall, Drawing Rm, Kit, Clo, 4 Beds, 2 Baths en suite, 1 Shower Rm on suite, Lift. Resident Club Portage, LEASE 99 YEARS. £1.5 million.

MAYFAIR, W1
 A Town House of great quality, refurbished with considerable care to a very high standard. Ent Hall, Dining Rm, Drawing Rm, KITCHEN, 4 Beds, 3 Baths, Lift. Recp Terrace, Comprehensive Security System, Garage Facilities, LEASE 99 YEARS. PRICE ON APPLICATION. Joint Agent: Messrs Aylesford and Co, Tel: 01-351 2883

CLOSE TO BERKELEY SQUARE, W1
 A stunning beautiful interior designed and decorated flat in a prestigious period purpose built block. Drawing Rm, Dining Rm, Kit, Master Bed, Bath on suite and Dressing Rm, 5 further Beds, LEASE 99 YEARS. PRICE ON APPLICATION.

MAYFAIR, W1
 An immaculate Apartment which has been modernised and decorated to an exceptionally high standard. Ent Hall, Recp Rm, Kit, 2 Beds, 2 Baths (1 on suite), Small Study, Lift, Carport. LEASE 99 YEARS APPROX. £285,000. Joint Agents: Harrods Tel: 01-409 9222
 Mayfair Office Tel: 01-409 4195

127 Mount Street, Mayfair, London W1Y 5HA, Telephone 01 499 4155
 Head Office: 45 Berkeley Square, London W1X 6ZB
 Also: Chelsea, Docklands, Kensington, Apsley, Bath, Canterbury, Carlisle, Edinburgh, Harrogate, Harrogate Heath, Leeds, Oxford, Wills, Belvoir, Dubai, Oman, Sturteat.

The Chilterns
 MARYLEBONE VILLAGE
 55/65 CHILTERN STREET LONDON W1

"In London's own Marylebone West End Village"

Three exciting flats including 2 penthouses with large roof terraces. Each having 3 bedrooms, 2/3 bathrooms. Fully carpeted and curtained and all with thoughtfully fitted kitchens.

On long 125 year leases from £240,000

SHOW FLAT OPEN - Saturday, Sunday & Monday 12pm to 5pm

A Class Development
 Contact Sole Agents
DIBENHAM TAYLOR
 Residential
 01-408 1161
Keith Cardale Groves
 Chartered Surveyor
 29 Grosvenor Square, London W1X 9JF
 01-629 6604

WETHERELL
CHARLES STREET, MAYFAIR, W.1.

By Berkeley Square. A Maisonette of 2,039 sq ft. Dining Room seats 14. Double Drawing Room. Three Bedroom Suite.
 Price: £575,000 Sole Agents.

47 Upper Grosvenor Street, Mayfair, London W1X 9PG Telephone: 01-493 8855

£55,000 OFF FOR QUICK EXCHANGE
 Unmodernised Belgravia Freehold At present 11 beds, 4 baths would make 5 beds, 5 baths, 2 en-suite, huge kitchen, 20ft front garden, 40ft S.F. rear garden.
 Was £258,000 Now £203,000 must sell
 0136 234806 W/E & Eves
 01-496-9007 office & answering

Country Property

HAMPSHIRE COAST LUXURY DETACHED HOMES MILFORD-ON-SEA HAMBLE Superb location, situated close to village centre and a short walk to the beach with the New Forest on your doorstep. PRICES START FROM £235,000

D. M. HALL CHARTERED SURVEYORS ESTD 1887 DUMFRIESHIRE SOLWAY FIRTH Residential Farm 300 Acres A charming residential farm set in most attractive surroundings on the edge of the Mure Forest and only minutes from the Solway Coast.

ELEGANT NEW HOMES IN HERTFORDSHIRE Arkley - Central London 20 mins. Four and five bedroom executive homes, double garage, rural setting, available for immediate occupation.

STRUTT & PARKER ISLE OF MAN Douglas 5 miles A fine country house with a small farm with extensive views over the surrounding countryside.

Clifford Dann & Partners CLANMAR Baislow Lees NEW HOMES OFFICES THROUGHOUT MID-SUSSEX

SOUTH DEVON ASHBURTON 142 ACRES OF OUTSTANDING MIXED WOODLAND On the fringe of Dartmoor National Park close to South Devon holiday area.

IMPRESSIVE - TEDDINGTON - HOUSE 1. 1/2 acre plot Beautiful Landscaped Gardens 2. 4 very large Reception Rooms 3. Fabulous Master Bedroom-suite

PASCOE WEST SUSSEX - ANGMERGIN-ON-SEA WILLOWHAY One of the finest private seafront locations on the South Coast

John Gorman YORKSHIRE & NORTHEAST EXECUTIVE RELOCATION We provide: "Expatriate in property location in Yorkshire and the North East"

BROCKENHURST, HAMPSHIRE An exceptionally rare opportunity to acquire a fine period Georgian 3 bedroom, 2 bathroom house with an excellent range of outbuildings

HAMPSONS WELCH GOSFIELD, ESSEX A fine 17th Century Essex farmhouse well situated in superb rural surroundings.

WENTWORTH VIRGINIA WATER Exclusive position adjoining best Wentworth golf course in private road. 3 acre landscaped garden, 2 bedrooms, 2 bathrooms, 2 reception rooms, study, 2 cars, double garage, fine garden, 22,000,000

BOLDRE, NEAR LYMINGTON, HAMPSHIRE A beautiful and completely refurbished detached 4 bedroom house on a plot of 1.5 acres in a superb location in South Hampshire.

TONBRIDGE, Kent Substantial Edwardian house, elegantly appointed, 5 bedrooms, 2 bathrooms, garden room, garage for 2 cars, workshop, mature gardens, 2 acres in all. 5 minutes walk to main line station, Chatham BR/Quays Cross 25 minutes. £250,000.

SOUTH MANCHESTER 5 miles drive Ringway Airport Individually architect designed detached 4 bedroom house overlooking parkland in 1/2 acre garden.

Westminster We know the properties, the prices and the people. When buying or selling in Westminster call us first.

Dockland Property

VERMEER COURT IS IT LONDON? IS IT AMSTERDAM? OR IS IT YOURS? FROM ONLY £118,000. Vermeer Court is a new luxury development of quality homes at the very edge of the Thames, in the lively heart of London's Docklands.

CASCADES. 12th flr lux. 2 bed flat. Stunning views of City. 24hr ptr. Exclusive leisure facilities on site. Excellent investment. £185,000.

Mayfair and West End Properties Plaza Estates GROSVENOR SQUARE, W1 1st floor apartment in magnificent Mayfair building with views over St. James Park.

MAYFAIR Superb luxury interior designed apartment in prime portered block. 3 beds (2 en suite), 3 baths, large reception room, utility room etc.

JOHN D WOOD & CO. London and Country Estate Agents CHESTERFIELD HOUSE, MAYFAIR A delightful 18th floor flat, beautifully presented in a prestigious block recently the subject of elaborate refurbishment.

Westminster We know the properties, the prices and the people. When buying or selling in Westminster call us first.

London Property

COUNTRY HOUSE IN FULHAM Dine under vine-covered pergola, hear birding, no traffic fumes. Quietly situated spacious 4 bed, 2 bath house on superbly landscaped park & River Wulfe.

Through the Weekend FT Property Pages To advertise your property in the Saturday property pages, simply complete the coupon below and return it to: Francis Phillips, Classified Sales Manager, Financial Times, 10 Cannon Street, London EC4A 3DF.

Country Property

STRUTT & PARKER

13 HILL STREET BERKELEY SQUARE
LONDON W1X 8DL
01-629 7282



KENT-KNOCKHOLT
Sevenoaks 7 1/2 miles. (Clearing Cross 35 minutes). Central London 20 miles. M25 (J4) 5 miles.
A fine Victorian country house set high on the North Downs with delightful landscaped gardens and far reaching southerly views.
Reception hall, 3 reception rooms, study, breakfast room. Master suite of bedroom, bathroom and dressing room, guest suite, 6 further bedrooms and 2 bathrooms.
2 bedrooms entrance lodge. Traditional brick and flint stable block with games room above. Garaging for 3 cars, workshop. Heated swimming pool, all weather tennis court. Landscaped gardens, grounds and paddocks. About 8 1/2 acres. London office: Tel: 01-629 7282. Ref: IGG10471.



SOMERSET - Exmoor National Park
Dunster 3 miles. Minehead 5 miles. Taunton (M5) 23 miles.
A charming 17th century farmhouse with extensive buildings with permission for conversion to 8 holiday units (if desired).
3 reception rooms, garden room. Master suite of bedroom, dressing room, bathroom. 4 further bedrooms, second bathroom. Oil central heating. 2 bedroom cottage. Splendid studio with games room. Garaging, stabling, workshop. Tennis court. Superb mature gardens, lake. Stream, paddocks, copse. About 13 acres. Excess £350,000. Taunton office: Tel: (0823) 277261. Exeter office: Tel: (0392) 215631. Ref: 13AB542.



KENT - HARRIETSHAM
Maidstone 6 miles. Station 1 mile (London Victoria 67 minutes) M20 2 miles.
A superb Georgian house in lovely gardens at the foot of the North Downs.
4 reception rooms, farmhouse kitchen, domestic offices. 7 bedrooms, 4 bathrooms, 2 en-suite bedrooms. Gas central heating. Extensive range of farm buildings with potential. Heated swimming pool, garden, grounds and paddocks. About 5 1/2 acres. Region of £600,000. Canterbury office: Tel: (0227) 451123. Ref: 8BD2977.



ESSEX/SUFFOLK BORDER
Manningtree 2 miles. Continental port at Harwich 9 miles. Ipswich 12 miles.
Fine Georgian country house standing in its own magnificent garden and park.
Reception hall, 4 elegant reception rooms, principal bedroom suite with dressing room and bathroom, guest bedroom and bathroom suite. 5 further bedrooms and 2 bathrooms. Excellent 2 bedroomed cottage. Garaging and domestic outbuildings.
About 13 acres. Region £495,000. Further 24 acres of land available (let). Ipswich office: Tel: (0473) 214841. Ref: 5AA8141.



KENT-CANTERBURY
A2 1 mile. Canterbury 5 miles. Dover 10 miles.
A superb Georgian country house with lovely view across its gardens and parkland.
7 reception rooms, 40' ballroom. 8 bedrooms with 8 bath/shower rooms, dressing room. 6 secondary bedrooms with 2 bathrooms. Oil central heating. Indoor swimming pool, hard tennis court. Gardens, woodland and paddocks. About 42 acres. Excess of £800,000. Canterbury office: Tel: (0227) 451123. Ref: 8AB2907.



ESSEX
Braintree 2 miles.
An exceptionally attractive residential and commercial farm.
5 bedroomed farmhouse in an outstanding setting. Up to 3 cottages. Grain storage for 1,200 tons. Potato storage for 850 tons. 25 acres of woodland. Irrigation licences for 10.9M gallons.
About 520 acres. For sale as a whole or in 3 lots. Chelmsford office: Tel: (0245) 256201. Ref: 2AA7315.

SHOWHOUSE OPEN 2PM SUNDAY 29TH MAY

Lake Laurino

HARTSBOURNE AVENUE,
BUSHEY HEATH, HERTS.

Ten Exclusive Homes in a Beautiful Lakeside Setting

Lake Laurino at Bushey, Hertfordshire is the tranquil setting for one of the finest developments of luxury homes in the UK today.
Here you'll discover spacious houses of charm and character, set around a charming lake in a superior residential area.
Each home is completely individual - and interiors have a slightly Italian feel - spacious and luxurious with fittings to the highest standard including:
• Poggendorff Kitchens & Gaggenau appliances
• Humphreys bathrooms with 'Jacuzzi' baths
• Villeroy and Boch bathroom fittings
• Remote controlled garage doors
• Quality hardwood joinery
• High technology security system
These are homes of which even the most discerning owner can be justly proud. Early viewing is essential.

CELEBRITY SHOW HOUSE OPENING
To mark the release of phase one, the magnificent show house will be opened by Tony Ansell, (Charles Frere of HOWARDS WAY) on Sunday 29th May at 2pm.

Sole selling agents: **Ancombe & Ringland**
Hogg Robinson Property Group
01-954 6111

Prices from **£545,000**

A Development by **BISHOPSWOOD ESTATES LIMITED**
BUILDERS & ESTATE DEVELOPERS

Jackson-Stops & Staff
Natural Agents with regional branches

Cheshire
M6 Junction 16) 6 miles. Chester 30 miles. Manchester Airport 45 minutes.
A fine Grade I Mansion House built between 1777-1798 by Samuel Wyatt in an outstanding rural pocket setting.
19,100 square feet including 9 reception rooms, 13 bedrooms, 5 bathrooms. Attached Wing of 7,400 square feet. Large Georgian stable block. All with planning permission for conversion to passage offices. 2 cottages. Gardens and grounds to 26 acres.
For Sale Freehold, Leasehold or as Rent.
55 acres lake. 2 entrance lodges and further land up to 108 acres in total also available. Ref: 2973.
Apply Sole Agents Jackson-Stops & Staff, 25 Nicholas Street, Chester CH1 2NZ. Telephone: (0244) 28361 and 14 Cannon Street, London W1V 7FL. Telephone: 01-499 6291.

Northamptonshire, 15 acres
Northampton 11 miles. Rugby 10 miles.
Charming Georgian manor in the Fytchley country.
3 reception rooms, kitchen/breakfast room, domestic offices, 6 bedrooms, 2 bathrooms, shower/dressing room. Extensive outbuildings. Swimming pool. Garden and land. About 15 acres.
Apply: Jackson-Stops & Staff, 20 Bridge Street, Northampton NN1 1NR. Telephone: (0454) 52391.

FARNCOMBE, SURREY

1820's hse of great character 3 recep, 5 beds, bath, sep WC, kitchen, superb decor throughout; charming, mature gardens.
5 mins walk. Farncombe stn (42 mins Waterloo)
Offers in excess of £170,000

Details & appts for viewing: 04868 - 6983

SAVILLS

HAMPSHIRE 62 Acres
Beaulieu 3 miles, Lympington 10 miles, Southampton 15 miles, Waterloo 70 minutes.
Substantial well appointed country house with breathtaking views over The Solent.
Drawing room/morning room, breakfast room, study, school room. Library, domestic offices. 2 cellars.
6 principal bedrooms, further 9 bedrooms, 3 en-suite bedrooms. Staff flat. 2 cottages. Garaging. Stabling. Tennis court. Swimming pool. Extensive grounds including beach and foreshore.
For sale by tender.
Savills, London. Tel: 02021 298585.
Savills, Bournemouth. Tel: (0202) 298585.
Contact: Stephen King.

Knight Frank & Rutley

Surrey/Sussex Border
Langfield 1 1/2 miles. Central London 28 miles. Gatwick Airport 8 miles. M25 (J 4) 8 miles.
A spacious and secluded family house standing in its own grounds on the edge of a village.
Entrance hall, 4 reception rooms, study/lake room, Master bedroom suite, 6 further bedrooms, dressing room and 2 further bathrooms. Annex and cottage. Stables. Barn. Garages and stores.
Heated swimming pool. Mature gardens. 6 paddocks.
About 18 acres (AH720421)
London 01-629 8171
20 Hanover Square, London W1R 0AH

Lane Fox

The Property Mark

HAMPSHIRE - PRESTON CANDOVER
Beaulieu 7 1/2 miles. Winchester 11 1/2 miles. Alton 5 1/2 miles.
A CHARMING SOUTH FACING COUNTRY HOUSE IN A SECLUDED POSITION ON THE EDGE OF THE VILLAGE.
3 reception rooms, study, kitchen with breakfast area. 7 bedrooms, 2 dressing rooms, 4 bathrooms (2 adjoining), second floor nursery sitting room.
Oil fired central heating. 3 bedroomed staff bungalow. Excellent outbuildings with stabling and garaging. Attractive garden with hard tennis court. Woodland and pond. Well fenced paddocks. About 21 1/2 acres.
Winchester Office: 0962 or 01-499 4785

DEVON - NR PLYMOUTH ABOUT 390 ACRES
AN EXCEPTIONAL RESIDENTIAL AND AGRICULTURAL ESTATE
A Magnificent Georgian Country House situated in an outstanding rural position on the Yealm Estuary
4/5 Reception Rooms, Good Domestic Offices.
4 Male Bedrooms Bedrooms, 3 Dressing Rooms and 4 Bathrooms.
8 Secondary Bedrooms and Bathrooms. Staff Flat. Cellars.
2 Good Farmhouses. 3 Cottages. Barns for Conversion. Stable Block.
Vast & Productive Arable Land and Arable Land.
17 Acres Woodland. MIB Quote available.
FOR SALE BY PRIVATE TREATY AS A WHOLE OR IN EIGHT LOTS
Joint Agents: Stratton & Holloway Tel: 0752 666255 & Lane Fox: 01-499 4785
Head Office: 15 Half Moon St. London W1. Tel: 01-499 4785

Humberts Residential

West Sussex Abingdon
An important and historic Grade II Elizabethan Country house, immediately refurbished throughout.
2 reception rooms, master bedroom suite with ensuite bathroom and dressing room. Four further principal bedrooms, 2 bathrooms, kitchen/breakfast room. Guest cottages: 2 reception rooms, 2 bedrooms, 2 bathrooms (1 ensuite), cloakroom, kitchen. Staff flat: Reception room, bedroom, bathroom, kitchen. Garden houses; kitchen and large study, garden room, games room. Sunroom, 2 double garages, tennis court, gas fired central heating. Outstanding secluded garden and grounds.
For Sale Freehold with about 1 1/4 acres.
Details: Lewes Office, Tel: (0273) 478828 and London Office

Kilcaskan Castle Cork City 30 miles, Ballroom 2 miles. **156 acres**

An early 19th Century castle in need of considerable restoration, standing in a secluded position in the centre of the estate.
2 main reception rooms, hall and bedroom, 7 bedrooms and adjoining owners apartment of reception room, 2 bedrooms, 2 bathrooms, kitchen.
105 acres excellent arable land and 50 acres woodland over 1/2 mile fishing on the River Brandon.
Details: Hamilton Osborne King Tel: Cork (021) 271371 and Humberts London Office Tel: 01-629 6700

London Office: 01-629 6700
Humberts, Chartered Surveyors
25 Grosvenor Street, London W1X 9PE
Telex 27444

SURREY - Oxted
Oxted Station 1 mile, London Bridge/Victoria 28/39 minutes, East Croydon 12 minutes, Sevenoaks 10 miles, M25 3 miles, Central London 20 miles.
Attractive family house well placed for all forms of communication.
Entrance hall, 3 reception rooms, 6 bedrooms, 3 bathrooms. Conservatory. Double garage. Greenhouses. Garden. Paddock.
About 1 1/2 Acres.
Savills, London. Tel: 01-499 8644.
Contact: John Coburn.

OXFORDSHIRE/WARWICKSHIRE BORDER
About 1,215 Acres
Banbury 12 miles, London 85 miles.
Well located and attractive farm in undulating country run to a very high commercial standard and capable of producing substantial extra income from diversification.
Main house and 14 cottages.
6,000 tonnes of modern corn handling and storage buildings. Irrigation rights for 400,000 gallons per annum.
For sale as a whole or in 3 lots.
Savills, Banbury. Tel: (0295) 3535.
Contact: Alan Flett.
Savills, London. Tel: 01-499 8644.
Contact: Charlie York.

CLUTTONS

Near Canterbury, Kent
Ottringe. M20 & A2/M2 7 miles
An elegant 6 Bedroomed 18th Century Country House of appreciable character and quality, in a lovely setting, with separate Cottage, attractive flint Buildings and over 33 Acres of stream intersected Grounds.
Canterbury Office, Tel: (0227) 457441
127 Mount Street, Mayfair, London W1Y 5HA, Telephone 01 499 4155
Head Office: 45 Berkeley Square, London W1X 5DB
Alan Chelsea, Docklands, Kensington, Arsenal, Daildon, Bath, Canterbury, Cardiff, Edinburgh, Falmouth, Harrogate, Haywards Heath, Leeds, Oxford, Wilt, Bournemouth, Dorset, Devon, Sharnbrook.

Pennant's

COUNTRY LIFE SPECIAL

NEAR ROMSEY, HAMPSHIRE
A HISTORIC PERIOD VILLAGE HOUSE OF GREAT CHARACTER, SET ON 3 1/2 ACRES
Dating from the 16th century, and including two 18th century oak panelled rooms, all presented in excellent order. 6 Bedrooms, 2 Baths; Dressing Room; 5th Drawing Room; Dining Room; Farmhouse Kitchen; Cellars etc. Garaging; Stables and Outbuildings. Paddock and Gardens.
21 Southgate Street Winchester (0962) 60300
London 01-491 7888 ALSO ROMSEY • SALISBURY

NEAR ABERYSWYTH, WALES

Premier Georgian Manor House
Grounds, Woodland & Lake
NANTEOS
Ideal as Music/Culture Centre, Superb position. 6 Principal Rooms, 21 Bedrooms, Servants Quarters, Domestic Offices, Outbuildings.
Apply Sole Agents:
JOHN WATKINS & CO.
22, Terrace Road, Aberystwyth (08070) 61244

ST. IVES/PENZANCE
Holiday Investment Homes
£34,950
3 bedroom Scandinavian lodges. Self financing, full management service. C.G.T. relief. Leaseback guarantee. Full furniture package available. Brochure Cornish Manor, Gulval, Penzance. 0736 66671

On the Warwickshire Oxfordshire borders
GROVE FARM, UPPER BRAILES
A TRULY PICTURESQUE 16th CENTURY COTSWOLD FARMHOUSE
PRIVATELY SITUATED, FULL OF CHARACTER AND CAREFULLY RESTORED.
3 Fine Reception Rooms, Conservatory, 4 Bedrooms, 2 Bathrooms, Barn with consent for flat. Garaging and outbuildings. LOVELY GARDENS, SHELTERED PADDOCK in all over 3 1/2 ACRES.
FOR SALE BY AUCTION, WEDNESDAY 22nd JUNE 1998
Auctioneers Officers Shipston-on-Strour (0668) 61666

BOOKS

Robert Blake on the final volume of an outstanding biography of the life of Sir Winston Churchill

Twilight years of a political colossus

"NEVER DESPAIR": WINSTON S. CHURCHILL 1945-1965 VOLUME VIII by Martin Gilbert. Heinemann £25.00 (uniform edition £30.00), 1,359 pages

"NEVER DESPAIR" is the eighth and final volume of one of the major political biographies of the twentieth century. In scale it surpasses the six volumes of Monty Penny and Buckle on Disraeli, the five by Garvin and Julian Amery on Joseph Chamberlain, and easily defeats Morley's three on Gladstone.

The new volume takes the story of Churchill's life from V.E. Day, as it was called, to his death at the age of 90 on January 24 1965. It covers many interesting and important events: the Potsdam Conference, the electoral debacle of 1945, the Fulton speech, the revival of the Conservative Party, the writing of the Second World War history, and two more general elections carry us to page 653.

declined to continue the Coalition till the end of the Japanese war Churchill formally tendered his resignation to the King at noon on May 23 and was duly summoned at 4pm to form a new administration...

The result staggered the Communist world. An old lady in Zagreb, according to Sir William Deakin, said: "Poor Mr Churchill. I suppose he will now be shot." Stalin at Potsdam sought from Attlee an explanation of a phenomenon unimaginable in Russia...

After his second electoral defeat in 1950 his departure was widely expected. When he took office at the age of nearly 77 in October 1951 there was general surprise.

Other Conservative statements were more inclined to be more cautious or more measly-mouthed, according to one's point of view. Churchill went for his opponents with no holds barred. Socialism, he said in 1945, would inevitably involve "some form of Gestapo, no doubt very humanely directed in the first place..."

And in the same speech: "Socialism is in its essence an attack not only upon British enterprise but upon the right of the ordinary man or woman to breathe freely without having a harsh, clumsy, tyrannical hand clapped across their mouths and nostrils. A Free Parliament is odious to the Socialist doctrine."



between the two super-powers and an end to the Cold War. He believed deeply in personal diplomacy. It became his reason, perhaps excuse, for staying on, but the hope was an illusion, an old man's dream.

another 21 months, long after Eden's recovery, though for at least the last six he was palpably not up to the task - a sad twilight to a great career. A review cannot do justice to the innumerable insights thrown by Gilbert upon the closing years of our time.

pride was soon humbled, and a sober melancholy was spread over my mind, by the idea that I had taken an everlasting leave of an old and agreeable companion, and that, whatsoever might be the future fate of my History, the life of the historian must be short and precarious.

A bittersweet love story

THE MONUMENT by T. Behrens. Jonathan Cape. £11.95. 285 pages.

GREAT ROMANTIC love is not taken too seriously in our cynical age, which makes it brave of T. Behrens to write an entire book about nothing else.

Yet Behrens, a professional painter who writes a good direct prose, is convinced that he is telling a story that has relevance beyond the merely personal. His own interest in it has the obsessive quality of someone who is trying to work out the questions raised by another and alien way of life.

Then all changed for her. The lovers ran away and married. Long before her suicide in her middle forties, their lives had narrowed to each other's company and a routine, supported by Julian's private income, which led them round the world but in particular to their three perfect houses in Italy, Greece and the Sudan.

A life that ends in suicide has a peculiar, possibly ghastly, fascination for the outsider. In this case Ursula's suicide was followed a year later by Julian's. He had attempted suicide first, having been resuscitated, deferred his attempt to write a monograph about his beloved, entitled *Spire*.

The intimacies of someone else's life make exciting reading. The dullest part of the book is Ursula's diaries which, although filtered for the climate, seldom rise above self-indulgent self-analysis and travel notes. Somewhere, one suspects, lurking in Behrens' fraternal act of reverence, is a heartfelt criticism of the women who took a teenage boy, used him for her own purposes, and then abandoned him.

Rachel Billington

An Irish lady of letters

LADY GREGORY'S JOURNALS VOL. II edited by Daniel J. Murphy. Colin Smythe. £40.00 748 pages

LADY GREGORY FIFTY YEARS AFTER edited by Anne Saddlemyer and Colin Smythe. Colin Smythe. £27.50, 424 pages

SIR WILLIAM GREGORY OF COOLE: THE BIOGRAPHY OF AN ANGLO-IRISHMAN by Brian Jenkins. Colin Smythe. £28.50, 339 pages

WHO NOW reads or performs Augusta Gregory's *The Rising of the Moon* or W.B. Yeats's *Lament for an Old Woman*?

Through her marriage to this man 30 years older than herself, Lady Gregory was absorbed into a milieu unlike that of her later life. Sir William was a Unionist MP and then Governor of Ceylon. He died after a decade of marriage, during which, like many great ladies, his wife enjoyed a passionate interlude with Wilfrid Scovell Elliot which resulted in a somewhat pedestrian sonnet sequence reprinted in *Lady Gregory Fifty Years After*.

This second volume of the Journals makes rather sad reading. Illness, old age and financial stringency reduced her activity. Her son had been killed in the war. Coole Park was costly to keep up and hard to defend against the assaults of the surrounding villagers, who looked on Irish independence as an occasion for cutting wood or grazing on someone else's land.

Anthony Hartley

SOVIET TRADE DIRECTORY

Relevant information & addresses of approx. 25000 Soviet ministries, plants, works & factories. Large format. 770 pp. £300.00. Flego Press, 37B, New Cavendish St., London, W.1 Tel. 748 8822

Lord Olivier from A to Y

OLIVIER by Anthony Holden. Weidenfeld and Nicolson. £16.00, 504 pages.

OFFSTAGE AND on, admits Holden, Lord Olivier's career has been one long disappearing trick. This has not deterred a succession of biographers, unaided by their subject, having a go at tugging at the mask.

The definitive book should have been written by Olivier's most vivacious critic and National Theatre colleague, Kenneth Tynan. But Olivier withdrew his cooperation, telling Gore Vidal that, although he owed Tynan a lot, he did not owe him his life.

So what has Holden done? He has simply told the story from A to Y, I suppose it must now be, about Y, as we have already learned from his biography, most notably in John Cottrell's 1975 biography, similarly unauthorised. This account is merely shaken and stirred, many passages of it closely followed, even down to

the critical quotations on almost every major performance. Into this well-trodden area fed the fruits of more recent labours, notably Anne Edwards's *Vivien Leigh* (1977), Garry O'Connor's account of the fateful year in Australia with Vivien Leigh and the Old Vic company, *Darlings of the Gods* (1984), O'Connor's *Festschrift for Olivier's 80th Birthday* (1986) and the Noel Coward *Diaries* (1982) and, useful for *The Sleeping Prince* movie episode with Marilyn Monroe, Arthur Miller's *Timebends* (1987).

All of these sources are generously acknowledged, though not perhaps the full extent of Holden's reliance on Cottrell. What we have, then, is not a creative work of biography at all, but a thoroughly efficient, reasonably well-written, finally dogged, synthesis of, mostly, readily available written material. New insights and information are thin on the ground, a few little nuggets gleaned from interviews with Richard Attenborough, John Mills and Harry Andrews (the latter allows Holden a look at the *Macbeth* screenplay for which Olivier could never raise the production money).



Sir Laurence Olivier as the Button Moulder (Peer Gynt, 1944) with Sir Ralph Richardson as Peer Gynt

1970 David Frost television show that Olivier based his Othello's fondling of a red rose on the singer's toying with a microphone. Otherwise, the account of the *Othello* does not replace Cottrell's, nor do you feel that Holden actually saw the performance himself. This lack of personal witness to the career is the book's most serious and debilitating weakness.

The publishers claim in their blurb that the book is as much about the art of acting as it is a standard biography. Only the second claim is remotely defensible, in that this book brings the actor's career up to date. Cottrell ends at the filming of *Sleuth*, and Holden carries on through the good and mostly mediocre films of the next decade and the great late flowering of television work including the *King Lear*, probably Olivier's only genuinely moving performance (as opposed to outrageously funny or terrifying).

Michael Coveney

Fiction Hit and myth life of Merlin

THE COMING OF THE KING: Being the first part of The Book of Merlin, or Myrddin, from The Yellow Book of Meibod by Nicolai Tostoy. Bantam Press. £12.95, 606 pages.

IN SPITE of the pace of 20th century living, it is clear that there is a readership that delights in imaginative works constructed on a giant scale. The tales of Tolkien have demonstrated that, and many lesser epics have followed in the wake of *The Lord of the Rings*. Length seems no drawback. Readers with such gargantuan appetites will surely welcome Nicolai Tolstoy's *The Coming of the King*, a substantial volume which claims only to be the first part of a vaster series.

It centers on Merlin, or Myrddin, but you can forget about King Arthur. Tolstoy's history is set later in time than Arthur, in Dark Age Britain, when all that Arthur stood for is again and perhaps finally at risk. The kings of Britain have decided to sink their differences and unite for a crucial battle against the heathen invaders. Much of Tolstoy's tale is about such kings and undertakings, their hostings and ridings, their boasting and battles.

"Thus it was that we set out on our great adventure... It would surely fare ill with the mongrel hosts of Lloer when this gallant host came up with them, a bright shining array eager to earn their meat-portion in the halls of Gwyddno Geranhr."

blood gushing from steaming veins engulfing the tumbled battle-corpses? Fortunately, other strands are woven into this martial epic, which I find much more interesting. Most crucially there is Myrddin himself, who is the narrator of the tale, and who often and rewardingly leaves the hosts of Cymry to tell of his own life. He has a rough tongue and a neat sense of humour - and often a horrendous tale to tell, of adventures below or beyond our little world. When he tells of being born a baby covered in fur but able to talk and advise kings and princes - and of subsequent adventures when he becomes a herding boy for 40 years, he is riveting.

Whenever he reverts to his own adventures, or his part in the main war effort, he holds my attention effortlessly. The enemy comprises some worthy foemen: there is the boasting Snowbird, and the savage Aeda with his Hunas, and at one stage we see four horsemen, the fourth of which, on a pale steed, has no name but which is called the Yellow Death. And at different times the enemy is enabled to revive its dead warriors and return them to the battle.

The story does become gripping as a whole, when the last battle looms, with King Maelgwn of Gwynedd hopelessly outnumbered, and the outcome rests on a wounded Myrddin and a crippled Roman tribune with some primitive hand-made war engines. The fortress of Dinethr inspired the Dunkirk Spirit, as the King sits in the midst, performing the rites and playing *gwyddwyl* with Myrddin for enormous stakes.

Isobel Murray

CRIME

SUDDEN DEPARTURES by Jonathan Ross. Constable. £9.95, 174 pages

FOR SOMEONE who has published about two dozen books, Jonathan Ross (a.k.a. John Rossiter) writes remarkably badly. Particles dangle in his prose like candy canes from a Christmas tree, though less appetisingly. On occasion you have to read a sentence twice to figure out what he means. But if Ross is no writer, he is a fine story-teller, and as a former Detective Chief Superintendent, he knows his subject. This adventure of detec-

tive George Rogers is, like its predecessors, infernally readable. Syntax is banged.

THE KENTISH MANOR by Julian Symons. Macmillan. £9.95, 191 pages

LOTS OF fun with a Howard Hughes-like recluse and Sheridan Holmes, the actor and Sherlock Holmes expert, who appeared in an earlier Symons story. The novel skips charmingly about Europe, but concludes appropriately in Castle Baskerville, home of the weirdo millionaire, as irregular a fan of Baker Street as ever existed. Lots of urbane fun. William Weaver

The right way to read Roth

READING PHILIP ROTH edited by Asher Z. Milsamer and Donald G. Watson. Macmillan. £27.50, 205 pages

THE TITLE of this prize volume echoes that of Philip Roth's own collection of critical pieces and interviews, *Reading Myself and Others* - an irresistibly articulated explication of the sophisticated narrative strategies used in much of his fiction and altogether the most richly argued of self-justifications that a novelist in English has recently given us.

Roth's fiction (some 15 volumes to date) is itself largely bound up of course with writing, fiction-making, literary criticism, the literary life. His characters are frequently novelists or professors of literature; the boundaries between autobiography and fantasy are forever being teasingly redrawn. Anything a professional literary critic might want to say about his work seems likely to have been preempted by him and ironized in advance.

Not surprisingly then, it is the contributions from essentially non-professional literary critics - Aaron Appelfeld, Milan Kundera and, in an interview with the book's editors, Roth himself - that give this critical anthology (at least a festive, hot press) its warm but searching Jewish tribute in an attempt by one Jewish writer to define what makes another writer "Jewish."

Roth in the interview doubts whether he any longer irritates Jews very much ("It was strange - there - that had a lot to do with that conflict. But now that everybody is more confident about the right of Jews to have sexual thoughts and to be known to engage in authorised and unauthorised erotic practices, I think that stuff is over"), and his forthright comments on such subjects as the mass-media's relentless trivialisation of experience

which, in America at least, has virtually put an end to fiction with a "scrutinising function," fiction as "a serious way of knowing the world."

Milan Kundera, whom Roth as editor of the Penguin series, *Writers from the Other Europe*, first presented to an English readership and with whom he shares many a habit of novelistic mind, contributes the most useful and illuminating chapter: "Some Notes on Roth's *My Life as a Man* and *The Professor of Desire*." The complex novel *My Life as a Man* is convincingly shown to be a Kafkaesque light (Tarnopol's yielding to his wife Maureen - "this queen of vulgarity," Kundera calls her - is concerned to K's acceptance of the Court's irrational accusation in *The Trial*), and his reflections lead Kundera to the superb conclusion: "Infinitely vulnerable in his sincerity, Roth is infinitely ungraspable in his irony."

Venus rising from the waves, each character is born through his own words and in words reveals himself. Discreetly outlined to begin with, a Claire, a Helen, a Maureen... become crushing presences once they begin to speak, to appear at length, like an unstoppable torrent, presences that can no more be stifled than the internal voices of Joyce's characters.

For the rest, the essays are very competent, thorough, often Freudian, and somehow dutifully-seeming even while ostensibly enthusiastic: they do not escape, that is to say, the common fate of academic criticism. But the book as a whole is an important gesture of recognition for Roth - the funniest, most serious, most vividly eloquent of contemporary novelists in English; the one, indeed, who perpetuating the best Jamesian traditions of beautiful prose and rigorous structure, most powerfully packs contemporary life into his fiction.

Paul Driver

Gardening

The Ultimate Mowing Machine

The Allen 58" Lawn Ranger Triple Mower
A major advance in quality lawnmowing - powerful, quiet, fast, this superb machine runs rings around garden tractors and collects grass too!



International Property

CASA FINA IN MARBELLA

Magnificent apartment, 4 dble beds, 3 baths, luxury equipped kitchen, 2 reception, 2 large terraces, open fireplace, beautifully furnished. Price: £195,000.

Charming fully furnished villa, 170 sq.m., garden 650 sq.m., 3 beds, 1 1/2 baths, large living room, very large terraces with full sea views. Price: £240,000.

For details of these splendid homes and upmarket property in the Marbella area from £100,000, call us now! We will compile your personal portfolio. CASA FINA (U.K.) 0703 222363 FAX 0703 334466

EURO PROPERTY ADVISERS

VICTORY VILLAGE CLUB

Quinta do Lago, Algarve An exclusive Private Club with luxury Apartments & Villas overlooking golf course, lake & sea within this prestigious 1600-acre sporting & leisure beachside Estate. Pools, Tennis, Clubhouse, Management & Letting Services. Mortgage Price Guide £265,000-£180,000.

EXHIBITION OF PROPERTIES ON THE COSTA BLANCA

INCLUDING THE LA SELLA GOLF COURSE SUNDAY 29 MAY 11 AM-6 PM THE OLD SHIP HOTEL, KING'S ROAD, BRIGHTON, SUSSEX On Sunday 5 June at the Holiday Inn, Croydon, Surrey. Tel: 0181 834 8111

LA MANGA - SPAIN PROPERTY EXHIBITION

May 17th & 30th, 3 p.m. - 9 p.m. In the CANDIDE SUITE at hotel GROSVENOR HOUSE, Park Lane, London W1A 3AA

SWITZERLAND Sale to foreigners authorized

Lake Geneva & Mountain resorts You can own an APARTMENT or CHALET in: MONTREUX, CRANS-MONTANA, VERBIER, VILLARS, GRUYERES, CHATEAU-D'OXE, region of Gstaad, LES DIABLETETS, LEYSIN, JURA, Thermal Centre in the Rhodane Massifs, etc. From Sfr. 135'000.- Mortgages 60% at 6 1/2% interest, 5-20 years.

VILLARS - SWITZERLAND

A SAFE COUNTRY A HANDY COUNTRY A SWISS FRANC INCOME LE BRISTOL LAST FEW REMAINING APARTMENTS

INVITATION Meet the Swiss Developers at THE MAYFAIR HOTEL

JAVEA SPAIN Well built, secluded villa with views to sea

Sturgis INTERNATIONAL SOLE U.K. AGENTS FOR EL CAPITAN

CYPRUS PAPHOS PROPERTY EXHIBITIONS

FOR INFORMATION The Leading Property Developers

Land for Sale SCOTTISH WOODLANDS LIMITED

FOR SALE QUEEN'S HILL WOODLANDS DEESIDE

Barbican EC2 Extensive garden views. Superb one-bedroom appointment and car-bay.

Coleherne Mews, Chelsea, SW10

EVERYBODY agrees that, as a flower show, Chelsea has no equal. Every year there is a chorus of "wonderful" and "lovely," but the chorus, I think, is singing with one eye shut.

However, the show has left me with an impression of something else. The main tent of flowers is like some respected centre of excellence where the exhibitors show as best they can.

You may be expecting my annual lament about the awful taste of Chelsea's open-air gardens. This year there were some shockers, mostly from other newspapers, but actually I thought that some were better than usual and that one, the Women's Institute's cottage garden, was charming.

Socially, I had always supposed, taste spreads, if at all, from top to bottom. It works like a system of not-too-tasteful drains. At the bottom sits the unrefractable rubbish.

WITH SOME dismay, I read a circular from the National Council for the Conservation of Plants and Gardens announcing the salvation of nearly 2,000 dahlias varieties raised by David Brown during the past five years which, not surprisingly, he was finding impossible to maintain.

I do not know Brown, and I have not seen his dahlias collection, but I would be very surprised if more than 100 of these varieties were worth preserving on any but sentimental grounds.

Anyone can give a name to any seedling, regardless of worth, and many thousands of gardeners, both professional and amateur, have done so.

When taste gives way to a tide of vulgarity

Robin Lane Fox laments some undesirable aspects of Chelsea's Flower Show

This year, there was a steam engine of bedding plants from Turbay and a racing car under a floral arch from Birmingham. I wish the council would keep them out. I would say that they were a strong argument for the poll tax and privatisation, but another public body, the Royal Parks, did put on an enchanting arrangement of border perennials.

We can live with sludge at the bottom. People ought to grow out of it and eventually, I dare to hope, there will be no demand and its manufacturers will be caught gloriously over-stocked.

any proposal that the varieties should now be examined by experts with a view to evaluation, followed probably by some thinning down, I dare say it would be possible to amass a collection of 10,000 dahlias varieties, perhaps many more, but without evaluation this would simply be a waste of effort and space.

That very fastidious gardener, Lionel Fortescue, of Buckland Monochorum, Devon, used to say that garden space was so precious it could be given only to the best. He carried out a tireless search for what he deemed "the best form" of every kind of plant

GARDENING



Charm at Chelsea... the Women's Institute cottage garden

Even the garden's arches sometimes come with dinky little curving crests. As for the statuary, it is perhaps not seen best at Chelsea, but I draw the line at terracotta shepherdesses for nearly £500.

Throughout, there is an air of mis-revered antiquity, traditions that are not traditions and the philosophy, expressed to me by one frank trellis-seller, of calling it Heritage and jacking

up the price to make the public follow it up-market. This lament is directed partly against showing off but rather more against "decorators." Having over-decorated the house, people with messy tastes to think they score points by over-decorating the garden.

I hope I never spend £25,000 on a garden down each side stood little blue entry boxes with wavy pediments that looked like shelters for decorators waiting to plaster you with yet more ideas for new tassels on new pinmats as you walked to the blue-tiled, wavy summer house at the far end.

The antique feel, the Heritage look, the Edwardian sun parlour we have invented them and dropped our standards in the face of expense and some supposed social distinction. It is much the same in fashion. Dresses that turned up first in had episodes of Dynasty now turn up in drawing rooms, in garden, fancy panels that were dreamt up first for restaurant patios are now being forced on up-market tastes.

recreated from seed. There is no reason why anybody with a mind to do so should not raise new tea roses, centifolias, damasks, Chinas, moss roses, or any other of the delights that dominated the gardens of previous centuries.

Even the old roses can still be bred. His friends called his garden "the FCC" because so many of the plants he grew had received the Royal Horticultural Society's highest award of excellence, the First Class Certificate.

I do not interpret the official Royal National Rose Society classification as forbidding this. It simply leaves untouched the old classes up to the introduction of the hybrid teas late in the 19th century.

Even the old roses can still be bred. His friends called his garden "the FCC" because so many of the plants he grew had received the Royal Horticultural Society's highest award of excellence, the First Class Certificate.

Drowned in a deluge of dahlias

They're among the most over-produced plants this century, says Arthur Hellyer

any proposal that the varieties should now be examined by experts with a view to evaluation, followed probably by some thinning down, I dare say it would be possible to amass a collection of 10,000 dahlias varieties, perhaps many more, but without evaluation this would simply be a waste of effort and space.

That very fastidious gardener, Lionel Fortescue, of Buckland Monochorum, Devon, used to say that garden space was so precious it could be given only to the best. He carried out a tireless search for what he deemed "the best form" of every kind of plant

London Property

6 only 2 & 3 bed houses in Mews type setting within an attractive brick wall and wrought iron enclosure.

Individual feel to this attractive development. From £117,900

Wards Construction Ltd 01-930 5202 or 01-791 0106

CLUTTONS

CARLYLE SQUARE, SW3. Large Family House retaining many original features and overlooking the garden of this most sought after Square. 5 Beds, 2 Bath, Drawing Room, Dining Room, Kitchen, Kit/Break Room, Garden, etc. Upright of Square Garden. FREEHOLD. Price: £275,000

W6 FREEHOLD CONSERVATION AREA Period family house in quiet square with communal garden. Superb through reception, 2nd large reception, 3 1/2 bedrooms, study, 3 bathrooms, 2 fully equipped kitchens, carpet throughout, gas central heating, basement patio garden plus 30 foot walled garden at ground level. Excellent decorative order. £365,000 Private Sale. Tel: 01-741 7201

A great investment just a phone call away.

BELSIZE PARK NW3 Egan Lodge, off Haverstock Hill, 2 bed flats from £165,000 (01) 549 2912.

CHELSEA SW3 355 Kings Road, 2 and 3 bed apartments from £190-395,000. (01) 351 3551.

KINGSTON UPON THAMES The Orangery off Kingston Hill, 4 bed houses from £240,000. (01) 546 0934.

Barbican EC2 Extensive garden views. Superb one-bedroom appointment and car-bay. £145,000. Stock, Page & Stock 01-251 4171

Coleherne Mews, Chelsea, SW10 A superb new house that has been meticulously restored and benefits from 3 bedrooms, large reception hall with roof terrace, kitchen/dining room, garage. Freehold £287,950. Ellis & Co 01 225 0625

RIVERSIDE COURT

Large and luxurious second floor apartment located opposite Dolphin Square within secure purpose built block with resident porter. Stunning unobstructed views of River Thames from Chelsea Bridge to Westminster. Splendid reception room, well equipped kitchen, double bedroom, bathroom, terrace, garage space. Easy access to City and West End via Vauxhall tube. £159,500. 118 year lease.

PRUDENTIAL Property Services 23 Sussex Street Piccadilly London SW1 4RR Tel 01 834 9908

HEATHFIELD

Three painted duplex penthouses in a beautifully restored and extended Grade II listed property set in one of London's most enchanting villages.

Build by ASHTON. Price from £184,850. A.S. Franklin 01-864 0844

SHOW FLAT OPEN BANK HOLIDAY SAT, SUN, MON. 11am-4pm

• DIVERSIONS •

Curtain up on Glyndebourne

GLYNDEBOURNE, even for those who have never trod those famous lawns is now accepted as an essential part of the English summer social scene. Hard though Glyndebourne itself tries to play down the socially aspiring line and push the notion that the art's thing, people tend to believe they want to believe. Today it seems firmly lodged in the collective subconscious as more of a place to see and be seen than a venue for serious opera buff.

My own views are that its singular charm lies in the fact that the truth lies in some hazy middle ground. Some there may be who go for the art and some for the champagne and fun but most go for the magical combination of both. What more beguiling way to spend a fine summer evening than in a little leisurelyolling about with friends, champagne and laughter interspersed with music as fine and exciting as the *Kozma Kobanov* I saw last week? The very real problem, how-

ever, for those of us not on the essential entertaining list of the great and the good, is how to get hold of tickets for these prized events. But at prices ranging from £12.50 (yes, I bet you didn't know there were any as cheap as that) to £20 a time, tickets still go faster than the champagne.

Stories of phalanxes of merchant bankers, stockbrokers and power brokers are greatly exaggerated. On any given night only 31 per cent will be there in their corporate and sponsoring capacities; 54 per cent of the seats are usually filled by some of the 5,000 members of the Glyndebourne Festival Society and their guests. Fully-fledged members are entitled, for an annual fee of £35, to apply for four tickets for each of the six performances put on every year.

However, if you really want to go - keep on trying. This year there are still some seats available for Nigel Osborne's *The Electrification of the Soviet Union* and yes it is more difficult than *La Traviata* but probably also a lot more interesting. Tickets are half the usual price and £22.50 and 230 seats can still be bought.

It is also worth trying for returns. Those able to get to the Glyndebourne box office itself have the best chance but otherwise try ringing from 10 am onwards - 0273-54111.

If you mind much about how you look, Glyndebourne is much less alarming than prejudice has it. Evening dress, says the programme, is "customary but not obligatory". Do not turn down an invitation simply because you don't care for dinner jackets. More frequent attendees than I, like our opera critic Max Loppert, tell me that dressing varies enormously. A glance at Margaret



Molto adagio



Out on his own



Bouffant



Brrrr



Best frock and pearls

ILLUSTRATIONS BY MARGARET KEEDY

has his own views on how to tackle the matter but Max Loppert tried out one of Jennifer Beresford's Party Picnics.

"They offer excellent value for money, if my sampling is anything to go by. The price is £17.50 per head, the delivery is smooth (you pick up the basket from the Glyndebourne cloakroom an hour before curtain up, and return it there afterwards), the technical side of picnicking neatly simplified (the basket unpacks layer by layer according to course, with crockery, cutlery, glasses, coffee thermos, cups and other essentials included), and the quality just right for the occasion.

"The two-person picnic erred on the side of richness; smoked salmon timbales (salmon parcels filled with avocado mousse) followed by precisely roasted cold beef fillet with a successful Béarnaise sauce, then Brie and chocolate cups (chocolate cases filled with ginger syllabub) added up to a touch of indigestion during the second half of *Die Entführung*. But there are plainer alternatives, including lobster and salmon, and red fruits either fresh or in salad. The little wine list is attractive, and wine and

water come in a separate cooler. The whole presentation is pretty, thoughtful, and careful."

Tel no: 032-183-203. Please give at least 24 hours notice. Hampers can be delivered to any event - Ascots, Lords, Wimbledon, Goodwood - or to office or home.



Rock on!



Fritted to bits



Con brio



Nicely wrapped



Oh, so soignée

Froth and bubble



Lucia van der Post

HOW TO SPEND IT

Classical repertoire

LOOKING at the matter of male evening dress from the female side of the fence, it seems a doddle. None of those fearful choices, those endless possibilities; that can render women limp with indecision.

Classically, men's evening wear offers the attractive simplicity of strict rules, of a uniform hallowed by custom and time, of a minimalist's dream palette of black and white.

For those who believe in the traditional, classical understated approach, Dunhill's new evening collection offers the very thing. Here, Peter Tilley of Dunhill explains the thinking behind the new collection.

■ DINNER JACKETS: The cloth is a light matt wool (NOT wool and mohair), although a lovely weight, tends to become shiny; and grosgrain (NOT satin, which also becomes shiny) is used on the lapels, buttons and trouser seams. The jacket sketched here has a lapel that widens as it descends.

Half double-breasted, it looks good buttoned-up or open and can be worn with or without a waistcoat. It has hand quilting on the inside and the back has no vent.

■ TROUSERS: Higher-waisted to cater for the wearer of a waistcoat with a traditional peaked back as well as buttons already in place for braces. There are waist adjusters for

those who prefer not to wear braces and, as with all the best trousers, there is a button fly - no zips.

■ SHIRT: This can be classic or wing collared in simple white cotton or silk fabric (never coloured and never two-tone). The wing-collar version should sport a Marsella bib and cuff and be worn with studs. The classic collar version can have simple pleating.

■ BOW-TIE: Black, black and only black. Silk or barthes, tied by hand. ("If a gentleman can't tie it himself," says Paul Keats, imperiously, in his dissertation on the subject in *A Gentleman's Wardrobe*, "he trusts a valet, not a manufacturer.") In other words if you can't tie one yourself you'd better learn fast.

For a little bit of colour you have only two options - the waistcoat OR cummerbund (worn, please, with the pleats pointing upwards). If in a plain colour, they must be black; otherwise, one or the other could be in a silk Jacquard in a discreet Paisley design. You can always go to town with your braces - Dunhill does them in brilliant red moiré silk.

Available from Dunhill shops from August. Dinner jacket and trousers, £57; dress shirt with wing collar, £70; black silk bow-tie, £24; Paisley silk cummerbund, £45; printed silk waistcoat, £145.

Food for Thought

Transport of delight.

AH, A PICNIC in evening dress! You know as well as I that you would feel easier in a sweatshirt, jeans and trainers, but the atmosphere of Glyndebourne is very powerful and we haven't given up everything for the sake of comfort yet.

But that evening dress is working its way before we even do the shopping. Asparagus, a salmon trout, strawberries... Hold on... Are you really going to be able to take the porcelain, the serving dishes, the silver that this kind of thing demands? Are you, for heaven's sake, going to take furniture? Some people do, and servants to boot - or at least a chauffeur who is prepared to wait at table.

I am an enthusiastic fan of the grandiose picnic: the large table with a white cloth, the palely-glowing gas lamps, the silver and glass and huge pyramids of fruit, the dinner-party under the trees. But while it may be a fine thing in the depths of the New Forest it is a bit assertive, even domineering, at Glyndebourne, where everybody else is having a picnic too and you can't have half an acre to yourselves, because it's somebody else's garden you're doing it in.

Years ago, I catered professionally for a few picnics at Glyndebourne and I always went for the luxury foods: lobster, salmon,



Peter Fort thinks the simple things in life are best for picnics - when at Glyndebourne

salmon trout as it is hoisted out onto a serving dish, but you are all meant to be enjoying yourselves on a cloud of carefree bliss, not panicking about "bringing back" the mayonnaise by furious heading with an inappropriate instrument and so on.

If everyone in the party is rushing about doing his or her bit, prodding around in plastic bags or searching for the big fork, you will soon develop a great feeling of envy for the people over there by the bush who have brought some sandwiches and a six-pack of lager and who are relaxing in the evening sunshine, perhaps even taking a stroll.

I have, therefore, developed a formula for the perfect Glyndebourne picnic which I am glad to share with readers. No, I never served it in my catering days, because I don't think I could have sold it to my boss, who was the one actually going with his valued friends. But for pleasure this is my recommendation.

You will need a large hamper and a large insulated cold-box of the kind Australians call an Eskie. Shortly before leaving, pack into the hamper (I am assuming you are a party of four):

A black plastic rubbish sack, a large jug, eight nice wine glasses, four silver dessert spoons, four linen table napkins, four tankards (glass, silver, pewter, what you have), a large carton of crème fraîche, fromage blanc, about a kilo of strawberries or raspberries, a small basket of the kind used for serving bread, a handful of green leaves off a handy tree and eight ready-wrapped Chicken Tikka sand-



The quintessential Glyndebourne picnic from "A Season at Glyndebourne" by Ira Nowinski published by Christopher Helm, £25

wiches (from Marks and Spencer, 99p each).

Into the Eskie go: Three bottles of cheap champagne, a six-pack of Guinness, a bottle of Sauternes as good as you can afford (but Yquem only if you are a plutocrat).

Get to Glyndebourne early, well before the curtain is due to rise. Having parked, take your hamper and Eskie, plus whatever you fancy in the way of rugs and cushions, find a place near the lake and establish your nest. Tie string round the necks of the Sauternes and two bottles of champagne and lower them into the water to keep cool. Open the third bottle, get some glasses out of the hamper and have a glass of champagne before the performance (the bar is never open in the afternoon). You have made

no mess at all and can stroll into Act I with a clear conscience.

In the interval: return to nest, sit down. Person A hauls in the champagne, opens it and with the Guinness and the jug makes enough Black Velvet for everyone (50:50 is the only way). Person B breaks out the chicken tikka sandwiches. There are two each. Everyone is then able either to sprawl about or (my choice) to get up and mooey around a bit. Most, I am sure, will want to chat. I prefer to go and stare at the sheep. The dinner jacket and tankard in hand lend a feeling of peace and rightness to this rustic pursuit.

Now you have eaten. Put all the wrapping back in your rubbish sack and the tankards back in the hamper. Someone must now put a large spoonful each of

crème fraîche and fromage blanc on each plate. Line the little basket with the leaves (using your own, don't pick Mr Christie's) and fill with the berries. Open the Sauternes. This is when, like Charles and Sebastian in "Bridehead," you sprawl about enjoying the wine and fruit, dipping the berries in the sour cream and cheese and gazing up at the evening sky through the branches. (Smokers may enjoy an open-air cigarette at this juncture.)

Secure in the knowledge that the tidying-up is absolutely minimal you can sustain the mood until it is time for Act II. Tuck everything away and go in.

A flask of hot coffee to drink in the car park before you drive home is well-nigh essential. A box of chocolates with it is not essential, but will go down well.

HUNTSMAN
Hand Tailored Spring/Summer Range of Ready-to-Wear Mens clothing now available
11 SAVILE ROW

BLANCPAIN

Since 1735 the oldest name in Swiss watchmaking. But don't expect to find a quartz in a Blancpain watch. You won't. And you never will.

Available at: Carringtons, Gurnard, London Hilton, Mappin & Webb, David Morris, Tyme, The Watch Gallery, Wetzlar of Switzerland.

DIVERSIONS

Saleroom/Antony Thorncroft

Treasures behind the filing cabinets

ANY PUBLISHING FIRM that has not gone through its archives recently, sorting out the original art work for the illustrations which decorated its books late in Victorian days and subsequently, deserves to be taken over. This was the fate of J.M. Dent, which succumbed to Weidenfeld. A speedy act of the new management was to sell off 1,700 drawings from the Dent archive at Sotheby's last summer.

to go for up to £8,000. It is a pity that the lots tend to consist of groups of drawings prepared for a book; this raises the price and makes things hard for the less-affluent buyer when bidding against the dealers.



One from a set of plates representing the fashion and textile designs of Vienna before the First World War. The set, thought to be unique, will be auctioned at Sotheby's on June 2/3. Estimate: circa £15,000

able for much less and ink drawings by these artists can still be bought for under £1,000. A large drawing by Kay Nielsen, in Pander and Crispine, a decorative ballroom scene, is on offer next week at up to £15,000.

Susan Moore sees an exhibition of royal treasures that marks both an anniversary and a retirement

A glorious swansong

ALL THAT the Queen's Gallery lacks in its latest show are Classical antiquities and privileged connoisseurs to echo Zoffany's bravura conversation piece of the Medici Tribuna in the Uffizi, one of its exhibits. The Buckingham Palace gallery has been transformed into no less dazzling a Wunderkammer. Its scarlet-lined walls are studded with Old Masters, the like of which are now seen only diluted over several galleries in public museums.

discovering who collected what (or who presented it) is a fascinating underlying theme. The most distinguished of all royal connoisseurs was, without doubt, Charles I, and any selection of royal treasures must inevitably bring to mind what has been lost. (How many of the Old Masters here would still be hanging had his magnificent collection not been dispersed after his death?)

Chelsea clocks on display, and commissioned the Chelsea service for her brother (it came back to the royal collection in 1671). Her father-in-law, Frederick, Prince of Wales, is responsible for the elaborate rococo silver gilt centrepiece by Paul Crossin, and Nicholas Sprimont's ingenious naturalistic salts. George III partly designed the blue John clock and candelabra made by Matthew Boulton, and had the good sense to acquire Costantini Smith's collection, here represented by an exquisite Vertumner and two Canaletto.



Detail from "Lucretia," by Lucas Cranach (1472-1553), on show at the Queen's Gallery exhibition

Ghosts of Byzantium that haunt a bazaar

THIS YEAR, more visitors are due to go to Turkey than ever before. At the British Museum, crowds have been pressing into the exhibition devoted to Suleiman the Magnificent. If we are not yet emulating our ancestors who filled their houses with Ottoman sofas and turquoise tiles, there is a hint of Turkomania in the air.

libraries, several of which remain open to the public in accordance with the terms of their original foundation. Atif Efendi, near the ancient Byzantine church of St Theodore, is a highly-piggledy structure with its own courtyard. More easily findable for those visiting the area of the Blue Mosque, the elegant little Koprulu library in Divan Yolu was built in 1666 by a family who provided five grand

viziers of the empire. Although I was an unannounced stranger, the librarian welcomed me warmly during a recent visit and allowed me to see a few Ottoman manuscripts preserved there. One was a military map of the seaward approaches to Mediterranean ports which matched those produced in Venice and Genoa by Western admirals and captains. Another gave equally practical advice for dealing with the odious of the harem.

William St Clair visits Istanbul in search of Turkish literary delights and finds some intriguing reminders of a bygone age

for 1,000 years copied out the writings of ancient Greek authors from generation to generation, were interested more in the grammar than in the meaning. But, in the capital of the eastern Roman Empire, they knew they were the inheritors of a tradition which stretched back to the Athens of Pericles and beyond. Their persistence preserved writings which had disappeared entirely in the West during the long, bleak centuries which followed the collapse of the Roman Empire in the West.

Habsburg, Feldman GENEVA FINE ART AUCTIONEERS AUCTION under the aegis of Etude Staehli ART OF CARTIER Jewellery, Watches & Clocks, Enamel Boxes Objects of Vertu Tuesday, June 28, 1988 Hotel des Bergues, Geneva

Printing came late to Turkey, being feared as a threatening Western influence, and was positively discouraged until the late 18th century. It is to a Western eye, the old one-room libraries appear tiny, it is because they were built at a time when all the books were written expensively by hand.

picked out from 40 times that number which were offered to him. The books for sale nowadays are mainly new paperbacks and schoolbooks of little interest to a visitor from abroad. However, if you have a romantic imagination you might hear some interesting ghosts.

SUMMER EXHIBITION MORNING NOON & NIGHT The Englishman at Home in Georgian Times - shown in period room settings W. R. HARVEY & CO. 5 Old Bond Street, London W.1 FROM JUNE 1st TO 25th 1988 Daily except Sunday, from 10.00am to 5.30pm ENQUIRIES: 01-498 8385

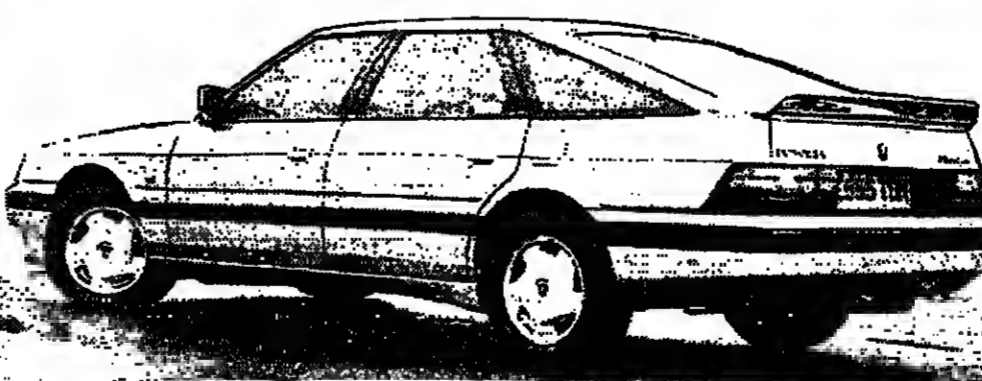
WHO LOVES a large hatchback? Not Mercedes-Benz or BMW, neither of which has ever made one, and not VW, which produces its new Passat only as a booted four-door saloon or an estate.

Motoring Rover sheds its boots

GRAHAM and OXLEY Member British Antique Dealers Association BOTANICAL DECORATION on ANTIQUE PRINTS and PORCELAIN Monday 23rd May to Saturday 4th June Monday to Friday 10.00 am to 5.30 pm; Saturday 10.00 am to 1.00 pm at 27, BURY STREET, ST JAMES'S, LONDON SW1Y 6AA Telephone: 01-930 1292

claimed research showed there now was no effective difference in the image of cars with four and five doors, even at the Mercedes and Saab level, and that the five-door sat very comfortably alongside the four-door as an attractive choice for the executive buyer.

at £11,995 to the 2.7-litre Vitesse at £19,944. Prices are the same as those of their four-door saloon equivalents. At the moment, the carburetted two-litre and Vitesse are available as fastbacks only.



The Rover Vitesse... 2.7 litres of fastback for £19,944

ably one of the finest pieces of Louis XVI furniture ever made, the Comtesse de Provence's jewel cabinet, produced by J. H. Riesener around 1785.

Virtually every country house in Britain boasts the odd memento of that vague. The present Queen generally is credited with owning the finest private art collection in the world, but one suspects that it is also one of the world's least appreciated collections. We see the royal pictures in major exhibitions all over the globe, but how often do we go to see the state apartments at Hampton Court or Windsor?

steering. Automatic transmission is a 3288 option on the four-cylinder 800 fastbacks, standard equipment on the 8278i, and you can have either five gears or two pedals on the Vitesse for the same price.

Art Galleries OLD BOND & SHARE CERTIFICATES Write or phone for free fully-illustrated literature HERZOG HOLLENDER PHILLIPS & CO. 16-22 Hatfield Road, Bristol BS5 4UD, Tel: 0272 230054

· DIVERSIONS ·

A major new biography of Ezra Pound* is being published on Tuesday. Here is an extract **When the poet turned surgeon**

T.S. ELIOT, on his way to a rest-cure at Lausanne, stopped briefly in Paris in mid-November 1921 and showed Ezra [Pound] a long poem on which he had been working for much of the year. Originally entitled "He Do the Police in Different Voices" (a quotation from *Our Mutual Friend*), it was known by December 1921 as *The Waste Land*. Eliot had mentioned it to Dorothy in a letter of 22 May 1921: "In October I shall be ready for a little mountain air, after I have finished a little poem which I am at present engaged upon."

Eliot may have considered the poem finished when he set off for Lausanne, but Ezra did not. On being shown it in Paris he evidently made some harsh comments, for when Eliot reached Switzerland he redrafted it substantially, and added the section "What the Thunder Said". Afterwards he told John Quinn that the entire *Waste Land* was written "mosty when I was at Lausanne," so unimportant did his earlier work on it now seem to him.

Ezra greatly approved of what Eliot had done in Switzerland, telling Quinn: "Eliot came back from his Lausanne specialist looking OK; and with a damn good poem (19 pages) in his suitcase; same finished up here; and sd he to in *Dial* soon, if Thayer isn't utterly nutty." He introduced Eliot to Horace Liveright of the New York publishers Boni & Liveright who was then in Paris, with the consequence that Liveright gave Eliot a contract for *The Waste Land* in book form. Eliot then returned to London, leaving Ezra a typescript, and Ezra began to read the poem again with close attention.

On 24 January 1922 he wrote to Eliot: "Caro mio. MUCH improved. Compliment, you bitch. I am wracked by the seven jealousies." He also suggested a number of further alterations; the typescript became scrawled over with his comments. Eliot afterwards recalled how "I placed before him in Paris the manuscript of a sprawling chaotic poem called *The Waste Land*"

"If it is stated so positively that Lloyds Bank interferes with literature, Lloyds Bank would have a perfect right to infer that literature interfered with Lloyds Bank."

which left his hands, reduced to about half their size, in the form in which it appears in print."

Ezra tended to push Eliot into pruning the over-abundance of statements and images which the poem contained in early drafts. He drastically reduced the element of pastiche and impersonation (the "Different Voices" of the original title) and nudged Eliot in the direction of something far more grim and oblique than the sprawling collection of narratives that had made up the original text. He drew out the best lines and phrases, encouraging Eliot to isolate them, according to the ideogrammic method, so that the poem came to resemble an archipelago of "obstinate islands" to quote the *Selwyn Mauberley* - reluctant to yield their whole meaning even to the most attentive reader; but isles full of noises that allure and amaze. After Ezra's surgery *The Waste Land* emerged as the supreme piece of modernist verse, terse and allusive where it had originally been much less concise - yet retaining enough of its original matter to suggest (in a way that a work composed on modernist principles from the outset is less likely to) an underlying coherence and clarity of meaning.

Ezra, meanwhile, had his own plans for Eliot, which he now rushed into action lest the *Criterion* steal all the thunder. "It is rather odd your writing just at this time," his letter to Eliot of 14 March 1922 continued. "I had not intended to say anything to you about the scheme until I had got it into writing. However - " And he enclosed a copy of a document which demanded that "T. S. Eliot be endowed for life . . . and give his entire time to literature . . . The greatest waste in any sex letters at the moment is the waste of Eliot's talent; this wd. not be remedied if he left Lloyds [Bank, where Eliot was employed] and were compelled to spend his time doing journalism, or to review books etc. He must have complete liberty." It was, in other words, a scheme to get Eliot out of the bank, though to increase its appeal Ezra formulated it as a project to raise money for any suitable "prisoner" who needed to be released from a job and given liberty to work at his art. He wrote to Agnes Bedford: "We are saving civilisation."



T.S. ELIOT . . . substantial redraft

fancied benefitting from Bel Esprit himself. Ezra wrote across to him: "Certainly can't start on you as you have to the public eye had nothing but leisure for years. Nothing to prevent or to have prevented you doing any damn thing you liked save your habit of fuss and of having a private life and allowing it to intrude on yr attention" - a reference to Lewis's illegitimacy offering.

Bel Esprit spluttered on for a while, Eliot worrying about what the bank and his very correct family in America would think, and finding most of Ezra's communications "extremely obscure." By midsummer 1922 Ezra said he had received 21 of the 30 subscriptions required to "release" Eliot. Yeats wrote that he had meant to contribute, but family troubles made it impossible. Almost the only person to refuse point blank was Amy Lowell. Ezra wrote to her: "Auw shucks! dearie, sint yon the hell-roarer, sint yon the kuss."

At some time during the 1920s Ezra took to calling Eliot "Possum." A letter from him to E. E. Cummings refers to "Possum's reputation for decorum and subtlety." In 1946 Ezra asked Charles Olson: "Why do you think I baptised him? . . . The possum: ability to appear dead while it is still alive."

It was part of a whole game with names from *Uncle Remus*. A 1926 postcard from Eliot to Ezra is signed "Tar Baby," but "Possum" stuck and appeared to Eliot who sometimes gave letters to other friends "T" for "Tom Possum." In 1954 he made unsuccessful efforts to get hold of a framed picture of a real possum to send to Ezra.

In the game, Ezra himself was Brer Rabbit - Joel Chandler Harris's canny and resourceful hero. Eliot's letters to Ezra often begin "Dear Rabbit," "Rabbit My Rabbit," or "Caro Ippino." In response, Ezra: "Waal Possum, my fine ole Marse Supial . . ." Others were drawn into the game: Frank Morely, an American-born director of Faber and Faber, was "the Whale"; Laurence Pollinger, who had the (far from enviable) task of acting as Ezra's literary agent for some of his projects, was "the Hippo" (presumably a variant of Hippo); Geoffrey Faber, founder of the publishing house, became "the Coot"; and Eliot's friend John Hayward was named "the Tarantula" because of his often poisonous wit. Ezra eventually dropped out of the game, but he continued to use the "Possum" joke, claiming that Eliot's "low saurian vitality" would sustain him almost indefinitely. "When Joyce and Wyndham L have long since gag'd or exploded, ole Possum will be totin round deh golf links and giving bright nickels to the lads of 1987."

The Waste Land made its first appearance in print in the first issue of the *Criterion* in October 1922, and in the November 1922 *Dial*. The Boni & Liveright edition, with Eliot's notes to the poem, came out in mid-December, and the Hogarth Press edition in September 1923. When Eliot received his first Boni & Liveright copies he sent one to Ezra in Paris with the inscription "for EP/miglior fabbro/from TSE/Jan 1923."

Reprinted by kind permission of Faber and Faber Ltd from A SERIOUS CHARACTER: THE LIFE OF EZRA POUND, by Humphrey Carpenter, to be published by Faber and Faber on May 31, 1988, at £20.00.

Their goal is to sail the North-West Passage. Peter Gillman reports

Two men in a boat prepare for a voyage into history

NEXT WEEK sees the beginning of a journey that could rank as one of the epics of global exploration. Two intrepid young men, Mike Jaques, 33, and Mike Marriott, 31, together with their left yacht *Tuluk*, are due to be transported by air from London to Alaska.

After a day in Anchorage, a further air hop will take them to the forbiddingly chilly port of Nome, a few degrees below the Arctic Circle. From there in no more than 10 days' time, they embark on their bid to claim one of the last great prizes of human adventure: the first voyage by pure sail alone through the legendary North-West Passage, taking up to four months to cover the 3,000 miles and braving storms, fog, pack ice and the occasional polar bear.

Jaques finds it hard to credit that the moment of departure is almost upon him. "I've dreamed of this for ten years," he says. "I can hardly believe it's about to come true."

Much has happened since James and Marriott revealed their plans in the Weekend FT. Not least is that they have acquired their boat formerly a gleam in a constructor's eye, the *Tuluk* - a Falmouth bass boat - now exists as a sprightly fibreglass craft, painted gleaming yellow and plastered with the stickers of their sponsors, from the financiers Gresham House to Europe's Business Newspaper.

Since the *Tuluk's* launch at the Plymouth Boat Show in March, Jaques and Marriott have called it half a dozen times. As Falmouth bass boats normally have two masts, they were especially anxious to see how it handled with its single lightweight mast and Bermuda rig. "It met our best hopes," says Jaques. "We're more than happy."

They have carried out several modifications to the original design in the light of tests plus their own experience of sailing and of the polar regions. They have strengthened the rudder with fibreglass and added extra steel to the keel strips in the most vulnerable places. Further improvements followed a dramatic outing early this month at Rutland Water. After setting out in a force six wind, they rapidly found themselves practising how to handle a capsized boat.

Whether this was intentional or not remains a moot point, although Jaques does concede that the *Tuluk* might have been carrying too much sail for the wind. Despite this potentially dampening experience, they were encouraged by the speed with which the boat recovered. They point out that it will be more stable with its 1,000lb load of supplies and equipment, but they have also taken the precaution of installing grab lines to make it easier to climb back on board.

Jaques and Marriott were back on Rutland Water for further tests last weekend. Since it was a



gloriously sunny day, with little breeze to speak of, conditions could scarcely have been less like the Arctic; the greatest hazard consisted of novice wind-surfers toppling into the water around them. Nonetheless, they made two further discoveries, bringing bad news and good.

The former was the alarming tendency of their food containers, an integral part of the hull, to fill up with water - the consequence, Marriott suspected, of a

minor internal leak. "We'll just have to whack on some more fibreglass," he said, phlegmatically.

The good news was very good indeed. For the first time, Jaques and Marriott tried out the block and tackle equipment with which they will haul the *Tuluk* across the ice if their route ahead is blocked. They were delighted at the ease with which they could lift the vessel ashore, and even



Jaques (left), Marriott and the Tuluk

revised their estimate of the distance they could cover like this. "We were reckoning on three miles a day, too much," Jaques said, "but we might be able to do more. It's very encouraging."

More good news has arrived in the shape of the first detailed charts of Canada's northern coastline showing lagoons and inshore passages where, they hope, the surge of seawater from the rivers could clear out the pack ice easier than they had first believed. Unlike any previous coast to have attempted the trip, the *Tuluk's* minimal draft - just one foot with the centre plate raised - will give them enormous scope to look for a shore-hugging route.

As for this summer's long-term forecast, the latest news is that the pack ice has begun to break up. Although still at nine-tenths density, this is an encouraging start to the summer season.

Sailing tests apart, the two men's final pre-departure weeks have passed as a chaotic blur. The tasks have seemingly been countless tasks and Jaques says there have "never been enough hours in the day." While they have failed in their search for one major sponsor to remove all their financial headaches, other contributors have arrived in the shape of Casio (watches), Barton Marine (fittings), International Ocean Ventures (cash) and Oval-tine (food).

Their greatest disappointment lies in their failure to persuade any airline to assist them over their flights: British Airways' most constructive suggestion was that they should fly stand-by (how the *Tuluk* should fly was not made clear). By contrast, they have been gratified by their success in selling some 200 postcards to be mailed en route, and by the encouragement and material support they have received from FT readers.

That includes a donation from a descendant of Captain Francis Crozier, the second-in-command on Sir John Franklin's ill-fated 1845 to sail the passage in the 1840s, whose name remains enshrined in a cape among the archipelago of islands at the eastern end.

With their final packing to contemplate this weekend, Jaques and Marriott will understandably be relieved when they can put all administrative chores behind them and concentrate on the nautical task in hand. At the same time, they can be forgiven what Marriott coyly terms "an element of apprehension" as the moment nears.

That apprehension might be the greater for Jaques since it is not just a voyage at stake but also his dream. "The truth is that we simply don't know if it can be done," he says. "There are so many unknowns in trying it in such a small boat and so much will depend on the weather. But we're as ready as we will ever be. The only thing now is to go off and find out."

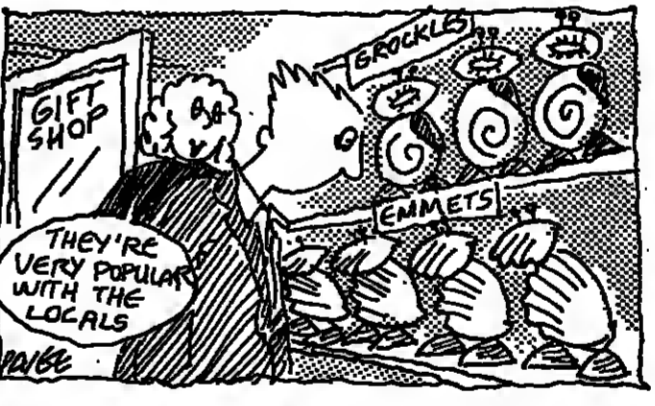
Smothered by a swarm of grockles

THE FIRST fine weekend of spring brings them out of hibernation in summer they increase in swarm proportion and by September they migrate back to wherever they came from.

In Cornwall, they are called emmets; in Avon folk, they are grockles. In south Wales we have no contemptuous label for them, which might have something to do with the supposed national character of cordiality - "we'll keep a welcome in the hill-side" and all that - or it might be because nobody has yet coined the right name.

"Here they come," we said at Easter, and stayed in our own gardens for three whole days, safely away from the crush. One swallow might not make a summer, but the first caravan to meet a tractor head-on in a narrow lane, or to get wedged against a cottage and have to be unitched by flustered strangers in jaunty new casuals, surely means one thing: The Season has begun. "They" are the tourists.

It is not that we inhabitants of an Area of Outstanding Natural Beauty are selfish enough to want it all to ourselves. We are not possessed by a blanket hatred of holidaymakers. But when you live on a small peninsula where the resident population doubles in summer and trebles over bank holidays, you cannot help being aware uncomfortably of the invasion.



logos block the streets, and every hotel room dressing-table bristles with bottles of aftershave and hair gel. Serious wind-surfers are single-minded. They drink nothing but lemon-and-lime before the competition, and sprinkle glucose on their cornflakes, while surfer girls - in the new groups of the sea sports world - inquire at every guest-house only to learn that, for those who have not booked, there is no room at the inn.

Then, there are the day-trippers - Hell's Angels who terrify the Girl Guide camp at Whit-sun; and coachloads of elderly ladies in white cardigans, mystery touring to see the sunset with bus drivers who seem equally unsure of their destination - plus weekenders such as the veterans of caravan rallies who never leave their field until it is time to go home.

At least all of these tolerate a cruel weather. Ramblers stride forth to greet the rain, surfers let it roll off their sleek backs, coach passengers and caravan-clubbers are cocooned from it, and the motor-bikers are too leather-clad (and quite often too drunk) to notice it.

growth of a tourist industry. They complain about the presence of adders and the absence of entertainment. These days, there are not even very many genuine village idlers left at whom they can poke fun.

Other visitors - notably Americans and amateur historians - interrogate you. Was Ben Thomas ever here? - yes, certainly. And John Wesley? - very likely. How about old Giraldu?

well, hereabouts. The answer must always be hopeful, if not positive; tourists would never forgive us for disappointing them with the plain truth.

The final question is invariably: "Aren't you lucky to have this place to yourself all year round?" Lucky to live here - yes. But the countryside belongs to us only in the bad months; the beaches are ours alone when it is cold and raining; and for the privilege of living in an Area of Outstanding Natural Beauty, we endure snowfalls that cut us off from our food supplies, gales that black out the electricity frequently, and screaming military jets that are permitted to practise low flying across our hills because the land is under-populated - except in high summer.

When we leave here to go on holiday, do we also become the enemy? I confess I have been an enemy several times, and as recently as last year I was a grockle. I just hope none of those locals recognised me as one.

Julia Berney

John Colvin Furniture Ltd
45 Stoke Road, Blisworth, Northampton NN7 3EZ
Tel: 0604 859 446

ARTS

The Pitlochry Theatre Festival opened this month. Anthony Curtis reports
Company caught up with comedy

"WHAT PEOPLE want," explained Paul... the marketing manager of the Pitlochry Theatre Festival whose new season has just opened. "is a different play every night. And that, until October 8 when the festival ends, is precisely what they will get. It represents a reversion by the Festival's artistic director, Clive Perry, to the policy of the Edinburgh Festival, abandoned by Sue Wilson in favour of putting on fewer but more ambitious productions and musicals.

10 when the revival of *Daphne Laureola* starts, all seven will be on the go. Over a long weekend recently I caught the first two productions, *Pygmalion* and *See How They Run*, both of which are directed by Clive Perry. It is, you might think, a brave man who would put on *Pygmalion* when videos of *My Fair Lady* are on sale in every chain store, but not long after the curtain has risen it became clear the work still has plenty to offer in its pristine non-musical form.



Roger Kemp, David Kincaid and Dougal Lee in "Pygmalion"

much later. The signs of class alienation on which the comedy rests seem as valid as they ever were. After too frenetic an opening in the early Covent Garden scenes, Amanda Prior and Dougal Lee (Lisa and Higgins) rose to these grand occasions skilfully, aided by Roger Kemp's suave clubman-type Colonel Pickering; and thus avoided being over-shadowed by the massive, all-too-pleasant Doolittle of David Kincaid.

contrast Philip King's perennial face of the blackout. *See How They Run*, peaked gloriously on the opening night and seems likely to stay that way. It has the benefit of an assured Scottish comedienne, Una McLennan, with strong local support, in the role of Miss Skilkin. She is the spinstress whose frustrated passion for the vicar (Colin Goudrey) leads her to spend most of act two in a state of semi-paralysis on the sofa, drunk on cooking-sherry, and most of act three in and out of the closet.

Miss McLennan's body-language as she tries to regain control of her legs compares not to her disadvantage with the antics of Norman Wisdom. The endless string of complications which author King managed so deftly to spin out of the old joke about the actress (Amanda Prior, eye-lashes all afwitter), and the Bishop (Philip Blaine), were handled with supreme confidence by the whole company, Sara Markland as the hoyden of a maid, the lesser clerical gentleman and their impostors.

Records

Queen and priestess

Donizetti: Anna Bolena. Joan Sutherland, Susanne Mentzer, Bernadette Manca di Nissa, Jerry Hadley, Samuel Ramey etc./WNO orch. and chorus/Richard Bonynge. Decca 421 085-2 (three CDs)

DECCA'S TWO latest releases featuring Joan Sutherland are *Anna Bolena* (the issue of which is timed to coincide with the new Royal Opera production) and *Norma*, both made with (excellent) Welsh National Opera forces.

In the Donizetti, the good moments are rather more numerous. This carefully worked, fluidly shaped, strongly characterized opera, product of the young Donizetti at his boldest and most ambitious, may depend for ultimate success or failure on the singer of its title role - but to a less momentous degree than does Bellini's masterpiece. Anne Boyn is placed at the centre, but Jane Seymour, Henry VIII (probably the most rewarding low-voice male part Donizetti ever wrote), Richard Percy, and the travesty page Smeaton (whose two Charu-like scenes turn key pages in the plot) are by no means insignificant in stamping and developing the opera's special character - an intimate drama of entwined emotions charged with high-Romantic sensibility and colour.

lengthy postponement in its publication suggests that feelings about the final product may have been uneasy at the home company itself. It certainly makes for uneasy listening. This is Sutherland's second *Norma* on records, and to mark the event Decca surrounded her with the most glamorous cast available - and the presence of Caballé, herself a noted *Norma*, as the first properly soprano Adalgisa on record proves more than just a stroke of largesse, as does that of Pavarotti's incisive Pollione. Yet the lacklustre effect of the whole only serves to demonstrate once again that in this opera the titular soprano and the conductor are the make-or-break participants.

Martin Hoyle reviews 'Sofia' at the New End Theatre, Hampstead
Tolstoy a monster to live with

MOST GENIUSES are hard to live with. Wagner was a monster of selfishness, Hugo considered himself a god, and even Jeffrey Archer is said to have his off-days. Tolstoy may well have been the most impossible. As A.N. Wilson's new book reminds us, and the one-woman play *Sofia*, at Hampstead's New End, illustrates, the writer regarded his wife as administrator, housekeeper, copyist, secretary, cook, gardener, landlady and child-bearer (his including three still-born). He walked out of the family home in a tantrum at 42 and left her to bring up his children.

entirely recovered the shock of being shown her fiancé's bachelor diaries, with their accounts of youthful debaucheries, at the age of 18. Madeline Bellamy makes her vigorous, intelligent and devoted, but capable of being deeply hurt (by *The Kravtzer Sonata* by Tolstoy's signing away of the rights to the works she had copied, by the donation of his diaries to a literary crony).

from Cathy Porter's new translation of Sofia's diaries (very untranslatable they are, too). The piece comes to life particularly with Sofia's crotchety, jealous old age, with her lying in wait in a ditch for an enemy, attempted suicide in a pond and ravings of paranoia - "but who was it who drove me mad?" she demands angrily. The household cracked to two frustrated egos still tied together by love and resentment. And amongst the dramatics we detect the pale, luminous flicker of Chekhov's Russia, of terminal frustration: "I don't need happiness; I need a life that's full and peaceful," is the lament of talent and sensitivity thwarted, bottled up and tragically misdirected.

Conversations are recalled over the loudspeakers, the voice of Tolstoy taken by Ian Thompson, who also directs his adaptation



Madeline Bellamy

THE GROSVENOR HOUSE ANTIQUES FAIR
9-18 June 1988
Grosvenor House, Park Lane, London W1.
8 June: Charity Preview 7 p.m. - 9.30 p.m. Tickets: £60.
9 June: 5 p.m. - 8 p.m. Weekends: 11 a.m. - 6 p.m.
Other days: 11 a.m. - 6 p.m.
Children under 5 years of age will not be admitted.
Admission price inclusive of Handbook: £9. Season ticket: £20.
Enquiries: Telephone (0799) 26698.

Singing to win
THE WAYS of singing competitions are mysterious indeed. At the 22nd Richard Tauber Prize finals, promoted as ever by the Anglo-Austrian Music Society and held at the Wigmore Hall on Thursday, one wondered shyly what meanty half of the competitors were doing in the finals at all, so marked were the deficiencies - even charitably allowing for nervousness - in such basic matters as pitch, enunciation, and a modicum of musical imagination. Not, I fancy, a vintage year.

Radio Latin portraits
LAST WEEK, Israel and (still) Australia; this week Radio 4 has turned to *Latin Americans*, entrusting them to an expert enthusiast, Hugh O'Shaughnessy, on Wednesdays, and repeating a play by Alfredo Dias Gomes on Monday. The O'Shaughnessy programmes will be portraits intended to illustrate Latin American life. Indeed, the illustrations in his book, *Latin Americans*, published by BBC Books this month.

Rodney Milnes
Philip Martin was the director. Back to *Act 3* - the final part of Colin Tudge's able *The Second Creation*, which I wrote about a fortnight ago, moved from the past and the present into the future. The Australians have not been wise in their treatment of their heritage, it seems. The nostalgic introduction of cats, rabbits and foxes (not to mention the cane toad, as big as a dinner-plate and all poisonous) has done no good, but worse has been the wholesale clearance of land, especially rain-forest. More conservation must be the key to another 200 years.

THE GROSVENOR HOUSE ANTIQUES FAIR
9-18 June 1988
Grosvenor House, Park Lane, London W1.
8 June: Charity Preview 7 p.m. - 9.30 p.m. Tickets: £60.
9 June: 5 p.m. - 8 p.m. Weekends: 11 a.m. - 6 p.m.
Other days: 11 a.m. - 6 p.m.
Children under 5 years of age will not be admitted.
Admission price inclusive of Handbook: £9. Season ticket: £20.
Enquiries: Telephone (0799) 26698.

Chess No. 724
1... B-N3 ch; 2 KxR, N-K4 ch; 3 P-N3, P-B4 mate.

PICK OF THE WEEK AT CHRISTIE'S
Stained Glass Panel Depicting a Cricket Match (detail)
Circa 1938, 41 x 71 cm.
THIS UNUSUAL stained glass panel will be one of many lots in the sale of Sporting Memorabilia at Christie's South Kensington on Thursday 2 June at 10.30 a.m. Of particular interest will be three Royal Worcester dessert plates painted with Indian scenes by Harry Davies for K. S. Ranjitsinhji, the legendary Sussex and England batsman of the 1880s and 1890s.

WEEKEND FT

SPORT



Golf/Ben Wright

An infectious disease

IF THERE IS a more insidious, self-destructive or soul-destroying shot in golf than the dreaded shank or socker I have thankfully yet to experience it. The very words have a decidedly sharp ring to them, at least to the ears of one who has been haunted by them for fully 40 years. There is a mystique about the affliction that in my early years suffering seemed to be nurtured by the British professionals whose exploits I was being paid to describe.

Many of my kind correspondents cited guaranteed shank-free irons of varying shapes and vintage as their own particular saviours. For instance, Gibsons of Kinghorn produced a "Smith's model", and one of the Auchtermuchies a "700-necked masher-ink-blick dated 1926 that had preserved the endangered sanity of two victims of this recurring malady.

Racing/Michael Thompson-Noel

Wee Willie wonder

SO NOW we have it - Willie Carson, the Jumping Jack Flash of British racing, has declared that he will ride Minster Son, a colt he bred himself, in next Wednesday's Epsom Derby, following weeks spent pondering the relative merits of trainer Dick Hern's high-powered Derby trio: Minster Son, Unfuwain and the 2,000 Guineas runner-up, Charming.

scant return, but who now finds herself owning two fancied Derby runners, Charming and Minster Son. There is a guaranteed minimum of \$500,000 in prize money for the Derby's five four-furlong races, including an estimated first place prize of £23,700, so I wish her a profitable week.

Yachting/Keith Wheatley

Socks ahoy!

PETER GILMOUR never races without his green sunvisor. It looks just fine, and may even be useful, as he wins the Congressional Cup off balmy Long Beach, California. In the chilly Solent fog at the Duracell Lynton Cup last weekend it looked eccentric, but Gilmour is still winning.

Yachting/Keith Wheatley

Socks ahoy!

can was about a boatlength ahead of Gilmour. The yacht was sailing up the final beat. Gilmour taking the left of the course. As they tacked back together the Aussie skipper was on port tack, his opponent on starboard. Gilmour was, as given vessel, obliged to pass beneath the other's stern.

FT CROSSWORD No.6,642

Prizes of £10 each for the first five correct solutions opened. Solutions to be received by Wednesday June 8, marked Crossword 6,642 on the envelope, to the Financial Times, 10 Cannon Street, London EC4A 3DF. Solution on Saturday June 11.

Crossword puzzle grid with clues for Across and Down.

SATURDAY

Medicine programme in black and white. BBC1: 8:25 am Breakfast. 8:30 The Family Man. 8:55 The Muppet Show. 9:30 On the Waterfront. 10:00 The 100th Anniversary of the Suffragettes.

TELEVISION AND RADIO

Yorkshire: 11:30 am Yorkshire. 12:30 pm Moment by Moment starring John Travolta. 2:30 pm John Travolta. 4:30 pm Yorkshire.

TELEVISION AND RADIO

Radio: BBC Radio 2: 6:30 am Graham Norton. 8:30 David Jacobs. 9:30 am The 100th Anniversary of the Suffragettes.

SUNDAY

Medicine programme in black and white. BBC1: 8:55 am Play School. 9:15 Amies of Faith. 9:30 The 100th Anniversary of the Suffragettes.

SUNDAY

Medicine programme in black and white. BBC1: 8:55 am Play School. 9:15 Amies of Faith. 9:30 The 100th Anniversary of the Suffragettes.

TELEVISION AND RADIO

Granada: 8:30 am The Incredible Hour. 9:30 am The 100th Anniversary of the Suffragettes. 10:30 am The 100th Anniversary of the Suffragettes.

TELEVISION AND RADIO

Radio: BBC Radio 2: 6:30 am Graham Norton. 8:30 David Jacobs. 9:30 am The 100th Anniversary of the Suffragettes.



Joan Plowright plays Lady Bracknell and Paul McGann is John Worthing in The Importance of Being Earnest on BBC2 on Sunday, 8.10pm



Photo of a group of people, possibly related to the crossword puzzle or another event.

Mr Stewart Day, Peterhead, Aberdeenshire; Mr L. Duffield, Wetherby, West Yorkshire; Mr K.A. Ford, Leicester; Mrs B. Marr, Moompan, Kent; Mr F. Wilson, Carryduff, Belfast.

Mr Stewart Day, Peterhead, Aberdeenshire; Mr L. Duffield, Wetherby, West Yorkshire; Mr K.A. Ford, Leicester; Mrs B. Marr, Moompan, Kent; Mr F. Wilson, Carryduff, Belfast.

Mr Stewart Day, Peterhead, Aberdeenshire; Mr L. Duffield, Wetherby, West Yorkshire; Mr K.A. Ford, Leicester; Mrs B. Marr, Moompan, Kent; Mr F. Wilson, Carryduff, Belfast.

Mr Stewart Day, Peterhead, Aberdeenshire; Mr L. Duffield, Wetherby, West Yorkshire; Mr K.A. Ford, Leicester; Mrs B. Marr, Moompan, Kent; Mr F. Wilson, Carryduff, Belfast.